



# The Palestinians: Background and U.S. Relations

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## Summary

This report provides an overview of current issues in U.S.-Palestinian relations and. It also contains an overview of Palestinian society and politics and descriptions of key Palestinian individuals and groups—chiefly the Palestine Liberation Organization (PLO), the Palestinian Authority (PA), Fatah, Hamas, and the Palestinian refugee population. For more information, see the following: CRS Report RS22967, *U.S. Foreign Aid to the Palestinians*, by Jim Zanotti; CRS Report R40664, *U.S. Security Assistance to the Palestinian Authority*, by Jim Zanotti; CRS Report R40092, *Israel and the Palestinians: Prospects for a Two-State Solution*, by Jim Zanotti, *Israel and the Palestinians: Prospects for a Two-State Solution*, by Jim Zanotti; and CRS Report RL33530, *Israeli-Arab Negotiations: Background, Conflicts, and U.S. Policy*, by Carol Migdalovitz.

The “Palestinian question” is important not only to Palestinians, Israelis, and their Arab state neighbors, but to many countries and non-state actors in the region and around the world—including the United States—for a variety of religious, cultural, and political reasons. U.S. policy toward the Palestinians since the advent of the Oslo process in the early-1990s has been marked by efforts to establish a Palestinian state through a negotiated two-state solution to the Israeli-Palestinian conflict, counter Palestinian terrorist groups, and establish norms of democracy, accountability, and good governance within the PA. Congressional views of the issue have reflected concern that U.S. bilateral assistance not detrimentally affect Israel’s security by falling into the hands of Palestinian rejectionists who advocate terrorism and violence against Israelis.

Among the current issues in U.S.-Palestinian relations is how to deal with the political leadership of Palestinian society, which is divided between the PA in parts of the West Bank and Hamas, a State Department-designated Foreign Terrorist Organization, in the Gaza Strip. Following Hamas’s takeover of Gaza in June 2007, the United States and the other members of the international Quartet (the European Union, the United Nations, and Russia) have sought to bolster the West Bank-based PA, led by President Mahmoud Abbas and Prime Minister Salam Fayyad. In late 2009, however, Abbas endured a number of diplomatic setbacks that imperiled both his political standing and the likelihood of resuming peace negotiations with Israel. In response, analysts have raised fundamental questions about the future of Palestinian leadership and whether U.S. policies serve Palestinian interests.

The Gaza situation also presents a dilemma. In the wake of the 2008-2009 Israel-Hamas conflict, humanitarian and economic problems have worsened, but the United States, Israel, and other international actors are reluctant to do more than provide basic humanitarian assistance because of legal barriers to dealing with Hamas and/or potentially negative political and strategic consequences that might follow from any such dealings. Egyptian-brokered efforts to effect a power-sharing arrangement among Palestinian factions that would allow for presidential and legislative elections and reunified PA rule over Gaza and parts of the West Bank have failed thus far. Since the signing of the Oslo Accord in 1993, Congress has committed approximately \$3.5 billion in bilateral assistance to the Palestinians, over half of it since mid-2007—including \$650 million in direct budgetary assistance to the PA and nearly \$400 million to strengthen and reform PA security forces and the criminal justice system in the West Bank. Congress approved \$500 million of this amount in December 2009 pursuant to P.L. 111-117, the Consolidated Appropriations Act, 2010.

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## Historical Background and Palestinian Identity

The Palestinians are Arabs who live in the geographical area that constitutes present-day Israel, the West Bank, and the Gaza Strip, or who have historical and/or cultural ties to that area. Historians have noted that the concept of Palestinian national identity is a relatively recent phenomenon and in large part grew from the challenge posed by increased Jewish migration to the region during the eras of Ottoman and British control in the first half of the 20<sup>th</sup> century.<sup>1</sup> Palestinian identity emerged during the British Mandate period, began to crystallize with the 1947 United Nations partition plan, and grew stronger following Israel's conquest of the West Bank and Gaza Strip in 1967. Although in 1947 the United Nations intended to create two states in Palestine—one Jewish and one Arab—only the Jewish state came into being. Varying explanations for the failure to found an Arab state alongside a Jewish state in mandatory Palestine place blame on the British, the Zionists, neighboring Arab states, the Palestinians themselves, or some combination of these groups.

As the state of Israel won its independence in 1947-1949, roughly 700,000 Palestinians were driven or fled from their homes, an occurrence Palestinians call the *nakba* ("catastrophe"). Many from the diaspora ended up in neighboring states (Egypt, Syria, Lebanon, and Jordan) or in Gulf states such as Kuwait. Palestinians remaining in Israel became Israeli citizens. Those who were in the West Bank (including East Jerusalem) and Gaza were subject to Jordanian and Egyptian administration, respectively. With their population in disarray, and no clear hierarchical structure or polity to govern their affairs, Palestinians' interests were largely represented by Arab states (during the high-water mark of pan-Arab, Nasserite sentiment) with conflicting internal and external interests.

1967 was a watershed year for the Palestinians. In the June Six-Day War, Israel decisively defeated the Arab states who had styled themselves as the Palestinians' protectors, seizing East Jerusalem, the West Bank, and the Gaza Strip (as well as the Sinai Peninsula from Egypt and the Golan Heights from Syria). Thus, Israel gained control over the entire area that constituted Palestine under the British Mandate. Israel's territorial gains provided buffer zones between Israel's main Jewish population centers and its traditional Arab state antagonists. These buffer zones remain an important part of the Israeli strategic calculus to this day.

Although Israel ultimately annexed only East Jerusalem (as well as the Golan Heights), leaving the West Bank and Gaza under military occupation, Israel and the occupied Palestinian territories became increasingly economically interdependent, and Israel presided over the settlement of thousands of Jewish civilians in both territories (although many more in the West Bank than Gaza)—particularly when the Likud Party, with its vision of a "Greater Israel" extending from the Mediterranean Sea to the Jordan River, took power in 1977. This presented some economic and cultural opportunities for Palestinians, but also new challenges to their identity, property rights, civil liberties, morale, political cohesion, and territorial contiguity that persist to this day and have since intensified.

With the Arab states' humiliation in 1967, and Israeli rule and settlement of the West Bank and Gaza, space was opened for the Palestine Liberation Organization (PLO) to emerge as the

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<sup>1</sup> See Rashid Khalidi, *Palestinian Identity: The Construction of Modern National Consciousness*, New York: Columbia Univ. Press, 1997.

representative of Palestinian national aspirations. Founded in 1964 as an umbrella organization of Palestinian factions and militias in exile under the aegis of the League of Arab States, the PLO asserted its own identity after the Six-Day War by waging a war of attrition against Israel from Jordanian territory. Yasser Arafat and his Fatah movement gained leadership of the PLO in 1969, and the PLO subsequently achieved international prominence on behalf of the Palestinian national cause—representing both the refugees and those subjected to Israeli rule in occupied territories—although often this prominence came infamously from Palestinian acts of terrorism and militancy.

Although Jordan forced the PLO to relocate to Lebanon in the early 1970s, and Israel forced it to move from Lebanon to Tunisia in 1982, the organization and its cause survived. In 1987, Palestinians inside the West Bank and Gaza rose up in opposition to Israeli occupation (the first *intifada*, or uprising), leading to increased international attention and sympathy for the Palestinians' situation. In December 1988, as the *intifada* continued, Arafat initiated dialogue with the United States by renouncing violence, promising to recognize Israel's right to exist, and accepting the "land-for-peace" principle embodied in U.N. Security Council Resolution 242.<sup>2</sup> Many analysts believe that Arafat's turn to diplomacy with the United States and Israel was at least partly motivated by concerns that if the PLO's leadership could not be repatriated from exile, its legitimacy with Palestinians might be overtaken by local leaders of the *intifada* in the West Bank and Gaza (which included Hamas). These concerns intensified when Arafat lost much of his Arab state support following his support for Saddam Hussein's 1990 invasion of Kuwait (which was later reversed by a U.S.-led coalition in the 1991 Gulf War).

After direct secret diplomacy with Israel brokered by Norway, the PLO recognized Israel's right to exist in 1993, and through a succession of agreements (known as the "Oslo Accords"), gained limited self-rule for Palestinians in Gaza and parts of the West Bank—complete with democratic mechanisms; security forces; and executive, legislative, and judicial organs of governance. The Oslo Accords were gradually and partially implemented during the 1990s, but the expectation that they would lead to a final-status peace agreement establishing a Palestinian state has not been realized. Many factors—including violence, leadership changes and shortcomings, rejectionist movements with sizeable popular followings (particularly Hamas on the Palestinian side), continued Israeli occupation or control, expanded Israeli settlement of the West Bank and East Jerusalem, and international involvement—have contributed to the failure. The limited self-rule regime of the Palestinian Authority (PA) was undermined by Hamas's takeover of Gaza in 2007, lending further confusion to questions regarding Palestinian leadership, territorial contiguity, and prospects for statehood. Along with the Palestinians of Israel, the West Bank, Gaza, and East Jerusalem (which include approximately 1.8 million refugees), approximately 2.8 million Palestinian refugees outside these territories, in addition to a wider diaspora, await a permanent resolution of their situation.

Today, the public's desire to establish a state of its own on at least some portion of historic Palestine is the dominant political issue among Palestinians. How that state should be established and its nature, however, continue to divide Palestinian society. Fatah and Hamas are the largest political movements and reflect the two basic cleavages in Palestinian society: (1) between those

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<sup>2</sup> UNSCR 242, adopted in 1967 shortly after the Six-Day War, calls for a "just and lasting peace in the Middle East" based on (1) "Withdrawal of Israeli armed forces from territories occupied in the [1967 Six-Day War]" and (2) "Termination of all claims or states of belligerency and respect for and acknowledgement of the sovereignty, territorial integrity and political independence of every State in the area and their right to live in peace within secure and recognized boundaries free from threats or acts of force." See text at <http://www.mfa.gov.il/MFA/Peace%20Process/Guide%20to%20the%20Peace%20Process/UN%20Security%20Council%20Resolution%20242>.

who support a negotiated two-state solution with Israel and those who prefer other means to establish a Palestinian state; and (2) between those who favor a secular model of governance and those who seek a society governed more by Islamic norms.

The “Palestinian question” is important not only to Palestinians, Israelis, and their Arab state neighbors, but to many countries and non-state actors in the region and around the world—including the United States—for a variety of religious, cultural, and political reasons. Over the past 60-plus years, the issue has been one of the most provocative in the international arena. Al Qaeda, Iran, and others seeking to garner support for and/or mobilize Arab and Muslim sentiment against the United States, Israel, and/or other Western nations routinely use the Palestinian cause as a touchstone for their stances and grievances. Analysts often debate whether the Palestinian question is truly central to the region’s and world’s problems, and whether it is more often than not used by actors as a pretext to deflect attention from matters more central to their interests.

For more detailed historical background information, see **Appendix A**.

## Demographic and Economic Statistics

There are an estimated 4 million Palestinians living in the West Bank, Gaza Strip, and East Jerusalem (2.4 million in the West Bank and East Jerusalem, and 1.6 million in Gaza).<sup>3</sup> Of these, approximately 1.8 million are refugees (in their own right or as descendants of the original refugees) from the 1947-1949 Arab-Israeli war. (In addition, approximately 450,000 Jewish settlers live in the West Bank and East Jerusalem.) Another some 2.8 million Palestinians live as refugees in Jordan, Lebanon, and Syria, in addition to non-refugees living in these states and elsewhere around the world.

**Table 1. Estimated Palestinian Population Worldwide**

Country or Region	Population
West Bank, Gaza Strip, and East Jerusalem	4,000,000
Israel	1,300,000
Arab states	4,500,000
Other states	560,000
<b>Total</b>	<b>10,360,000</b>

**Source:** Palestinian Central Bureau of Statistics, Central Intelligence Agency.

West Bank Palestinians generally are wealthier, better educated, and more secular than their Gazan counterparts. The Palestinian population in the territories has one of the highest growth rates in the world and is disproportionately young. According to the Norwegian Institute for Labor and Social Research, widely considered a respected authority on Palestinian demographics, 51% of the Palestinians in the territories are 20 years old or younger and 80% are less than 40 years old. The youth bulge ensures that the population growth rate will remain high even as

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<sup>3</sup> See Central Intelligence Agency, *The World Factbook*: “Israel,” “West Bank,” “Gaza Strip,” available at <https://www.cia.gov/library/publications/the-world-factbook/>. An additional 1.3 to 1.6 million Palestinians live inside Israel proper as Arab citizens of Israel.



fertility rates decline. Possible implications were summarized thusly in a March 2009 Brookings Institution report:

If young people are engaged in productive roles, the Palestinian youth bulge can be a positive factor in economic development. Human capital is the main comparative advantage that Palestinian Territories have over naturally resource-rich countries in the Middle East. Yet, as in any economy, a large cohort of young Palestinians will continue to exert pressure on the education system and labor markets.<sup>4</sup>

Palestinians are well educated relative to other Arab countries with an adult literacy rate of 93% and 76% of school-age children enrolled in school. (Jordan, by comparison, has a 93% adult literacy rate and a 90% enrollment rate, while Egypt has a 72% adult literacy rate and an 96% enrollment rate.)<sup>5</sup> The Palestinian population is 98% Sunni Muslim; just under 2% are Christians of various denominations.

**Table 2. Basic Facts for the West Bank and Gaza Strip**

<b>Statistic</b>	<b>West Bank</b>	<b>Gaza Strip</b>	<b>Combined</b>
Population (July 2009 est.)	2,460,000	1,550,000	4,010,000
Refugees (June 2009 est.)	760,000	1,070,000	1,830,000
Median age (2009 est.)	20.5	17.4	-
Population growth rate (2009 est.)	2.2%	3.3%	-
GDP growth rate	-	-	2.3%
GDP per capita (purchasing power parity)	-	-	\$2,900
Unemployment rate	16.3%	41.3%	-
Inflation rate	-	-	11.5%
Population below poverty line (2007 est.)	46%	80%	-
Exports (2006 est.)	\$339 mil	\$339 mil	-
Export commodities	olives, fruit, vegetables, limestone	citrus, flowers, textiles	-
Export partners (2007 est.)	-	-	Israel 89.0%, Arab states 6.8%, Europe 3.5%
Imports (2006 est.)	\$1.3 bil	\$2.8 bil	-
Import commodities	food, consumer goods, construction materials	food, consumer goods, construction materials	-

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<sup>4</sup> Nawtej Dhillon, "Beyond Reconstruction: What Lies Ahead for Young Palestinians," Brookings Institution, March 2009, available at [http://www.brookings.edu/opinions/2009/0310\\_west\\_bank\\_gaza\\_dhillon.aspx](http://www.brookings.edu/opinions/2009/0310_west_bank_gaza_dhillon.aspx).

<sup>5</sup> UNICEF data, <http://www.unicef.org/infobycountry/northafrica.html>.

Statistic	West Bank	Gaza Strip	Combined
Import partners (2007 est.)	-	-	Israel 73.5%, Asia 12.8%, Europe 7.2%

**Source:** Central Intelligence Agency, *Economist Intelligence Unit*, UNRWA.

**Notes:** All figures are 2008 estimates unless otherwise indicated; figures exclude Israeli settlers.

## Issues for Congress

Congress plays a significant role in U.S. policy toward the Palestinians. It has approved expanded levels of aid (a total of nearly \$2 billion) to the Palestinians since PA President Mahmoud Abbas appointed the politically independent technocrat Salam Fayyad as PA prime minister and dismissed Hamas from government shortly following its takeover of Gaza in 2007 (see **Table 3** for a chart of FY2004-FY2010 U.S. aid). This increased U.S. assistance supports internationally-sponsored programs of PA security and economic reform and development—mainly in the West Bank—and humanitarian efforts in the Gaza Strip.

As uncertainty pervades prospects for Israeli-Palestinian negotiations as well as the internal Palestinian political landscape, congressionally-funded initiatives could become more influential to developments in the region. This is particularly the case because PA Prime Minister Fayyad's two-year plan for readying Palestinian institutions and society for "de facto statehood"<sup>6</sup>—viewed by many as the most realistic and relevant Palestinian political proposal extant in late 2009—relies on an assumption of continued budgetary, security, and developmental assistance from the United States and other countries. Thus, as Members and Committees of Congress closely and continually monitor the direct outcomes of U.S. programs of assistance, they might also consider analyzing the effects these programs are likely to have on developments related to the overall political situation, such as the following:

- Long-term prospects for a negotiated two-state solution and for possible alternatives.
- The desirability and probability of holding imminent PA presidential and legislative elections, and the potential consequences of *not* holding them.
- Prospects for Palestinian leadership and power-sharing among and within the PLO, the PA, Fatah, Hamas, and other Palestinian factions.
- Progress on security, governance, rule of law, and economic development in the West Bank.

<sup>6</sup> See Palestinian National Authority, *Palestine: Ending the Occupation, Establishing the State*, Program of the Thirteenth Government, August 2009, available at [http://www.mideastweb.org/palestine\\_state\\_program.htm](http://www.mideastweb.org/palestine_state_program.htm). A key passage from the document reads: "Out of respect for our citizens, and in recognition of their desire to live free and peaceful lives under national independence, we must answer their demand to see the fruits of the state-building project. Against this background, the Palestinian government is struggling determinedly against a hostile occupation regime, employing all of its energies and available resources, most especially the capacities of our people, to complete the process of building institutions of the independent State of Palestine in order to establish a de facto state apparatus within the next two years. It is time now for the illegal occupation to end and for the Palestinian people to enjoy security, safety, freedom and independence." Some PLO and Fatah leaders have taken offense at Fayyad's injecting himself into diplomatic matters because the Palestinian Authority has no formal authority in such matters.

- Mutual threats posed by Hamas, other Palestinian militants, the PLO/PA, and Israel, along with options (military, political, economic) to address these threats.
- The nature of the de facto Hamas regime and its relationship in Gaza to (1) the population, (2) commerce, (3) performance of public functions, and (4) provision of humanitarian services.
- Palestinian public opinion and civil society activities (in the West Bank, the Gaza Strip, and East Jerusalem, and among the Palestinian refugee population and diaspora).
- Political currents in the United States, the Middle East, and the international community.

A more detailed discussion of issues such as (1) the role of Hamas and (2) factors to consider when evaluating various programs of U.S. aid to the Palestinians is found throughout this report and in CRS Report RS22967, *U.S. Foreign Aid to the Palestinians*, by Jim Zanotti; CRS Report R40664, *U.S. Security Assistance to the Palestinian Authority*, by Jim Zanotti; and CRS Report R40092, *Israel and the Palestinians: Prospects for a Two-State Solution*, by Jim Zanotti.

## Recent Developments and Key Issues

### Israeli-Palestinian Relations and U.S. Involvement

Relations with Israel are central to Palestinian affairs because of the control Israel exerts over Palestinian life, the proximity of the two peoples, and the difficult history they share. After the Oslo peace process fell apart in 2000 with renewed Israeli-Palestinian fighting (known as the second intifada), the United States and the international community sought new ways to chart a path to a two-state solution (a Palestinian state existing side-by-side in peace with Israel). Israel and the Palestine Liberation Organization (PLO) agreed to abide by the Performance-Based Roadmap to a Permanent Two-State Solution to the Israeli-Palestinian Conflict (the “Roadmap”),<sup>7</sup> which was rolled out during 2002-2003 by the international Quartet (the United States, the European Union, the United Nations, and Russia), but both parties continually put off the Roadmap’s implementation.<sup>8</sup>

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<sup>7</sup> The Roadmap outlines the resolution of the Israeli-Palestinian conflict in three distinct phases: Phase 1 includes calls for progress on security and governance in the Palestinian territories and for an Israeli freeze on settlement building (including so-called “natural growth”). Phase 2 contemplates the establishment of a Palestinian state with provisional borders and the continuation of progress on Phase 1 objectives. Phase 3 contemplates a comprehensive final-status peace agreement between Israel and the PLO on all issues. The text of the published version of the Roadmap, dated April 30, 2003, is available at <http://www.bitterlemons.org/docs/roadmap3.html>. The Roadmap was based largely on a 2001 report prepared by the Sharm al Sheikh Fact-Finding Committee chaired by President Obama’s current Special Envoy for Middle East Peace, former Senator George Mitchell (commonly known as the “Mitchell Report”). The text of the Mitchell Report, dated April 30, 2001, is available at <http://www.bitterlemons.org/docs/mitchell.html>.

<sup>8</sup> In May 2003, Israel accepted the Roadmap but with 14 reservations. Among the reservations is an Israeli insistence that the “first condition for progress will be the [Palestinians’] complete cessation of terror, violence and incitement.” The text of the “primary themes” of Israel’s acceptance of the Roadmap with reservations is available at <http://www.bitterlemons.org/docs/14reservations.html>.

In the subsequent four years, PLO Chairman/PA President Yasser Arafat died and was succeeded by Mahmoud Abbas (who many in the international community saw as a better “partner for peace” than Arafat), Israel withdrew from Gaza<sup>9</sup> and also began building a separation barrier roughly tracking (with some major exceptions) the 1949-1967 armistice line demarcating Israel proper from the West Bank (the “Green Line”), and the militant Islamist group Hamas (a State Department-designated Foreign Terrorist Organization) won Palestinian Legislative Council (PLC) elections in 2006 and seized Gaza by force in June 2007. With Hamas in control first of the PLC and then of Gaza, expectations for a conflict-ending agreement were dampened. The Quartet, led by the United States, refused dealings with the group unless it agreed to (1) renounce violence, (2) recognize Israel’s right to exist, and (3) abide by previous Israeli-Palestinian agreements.

Nevertheless, a new round of negotiations—formally launched at Annapolis in November 2007 through the offices of the Bush Administration—sought an Israel-PLO “shelf agreement” on the core issues of borders, settlements, refugees, security, water, and Jerusalem, with the idea that the shelf agreement would take effect upon the establishment of PLO/PA authority and security in Gaza as well as the West Bank. These negotiations ended unsuccessfully with the anticipation of new leadership in Israel and the United States and the outbreak of conflict in and around Gaza between Israel and Hamas in December 2008.

Upon his inauguration in January 2009, President Barack Obama stated that Israeli-Palestinian peace would be one of his priorities. However, the election of a new right-wing government in Israel in early 2009, headed by Prime Minister Binyamin Netanyahu, complicated matters. Obama’s calls for Israel to stop all settlement activity and for Arab states to take certain measures to “gradually normalize” their relations with Israel did not have their intended effect. Subsequent efforts by the United States to prioritize the resumption of Israeli-Palestinian final-status negotiations over a full settlement freeze and over the Palestinian attempt to have various United Nations bodies scrutinize Israel’s actions during the Gaza conflict (see further discussion of the “Goldstone Report” below) have been perceived by many Palestinians to be signs of continued pro-Israel bias and a lack of sensitivity to Mahmoud Abbas’s domestic standing, which suffered in the final months of 2009 (see below).

In November 2009, Netanyahu announced a 10-month freeze on settlement construction in the West Bank, excluding East Jerusalem. The Obama Administration welcomed this as a step in the right direction while acknowledging that it fell short of the Administration’s ultimate expectations of a more comprehensive freeze. The Administration and Israel continue to seek the resumption of negotiations, and the Administration has voiced particular interest in having Israel and the PLO negotiate the borders of a future Palestinian state as a possible way to defuse the settlement issue.<sup>10</sup> Although PLO leaders have resisted a “borders first” approach to negotiations, the

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<sup>9</sup> There is disagreement between Israel and much of the international community over the legal consequences of Israel’s withdrawal of its forces and settlers in 2005. Israel contends that it has “disengaged” from Gaza and is no longer legally responsible for its residents as an “Occupying Power” under the Fourth Geneva Convention of 1949 (text available at <http://www.icrc.org/ihl.nsf/FULL/380?OpenDocument>). Many others believe that even though Israel no longer handles the day-to-day administration of Gaza, the control it exercises over Gaza’s borders, airspace, territorial waters, resources, and trade continues to rise to the level of the international legal definition of an occupying power. The State Department continues to refer to the Gaza Strip, as well as the West Bank (including East Jerusalem) as “Occupied Palestinian Territories.”

<sup>10</sup> The “borders first” idea has inspired debate largely because its critics believe that borders cannot be drawn in any meaningful sense without resolving Israeli-Palestinian disagreement on the borders and administration of Jerusalem and its holy sites. For more information on this topic, see CRS Report R40092, *Israel and the Palestinians: Prospects* (continued...)

Administration met one of the demands the PLO had set for resuming talks when Secretary of State Hillary Rodham Clinton stated her expectation in November 2009 that a Palestinian state would be based on the borders demarcated by the Green Line.<sup>11</sup> Nevertheless, prospects for negotiations in 2010 are unclear given, among other things, the uncertainty surrounding internal Palestinian politics (see below).<sup>12</sup> Many analysts focus their optimism on improved security and economic performance in the PA-governed West Bank, enabled by Israeli measures—facilitated by U.S. and international involvement—that have relaxed movement restrictions and have otherwise encouraged greater Palestinian freedom of activity.

## **Future Leadership and Direction of the PLO and PA**

In the final months of 2009, the future of Palestinian leadership in the West Bank was in question. After emerging strengthened from the Fatah Sixth Congress in August, Palestinian Authority (PA) President Mahmoud Abbas endured a number of diplomatic setbacks (described above) that imperiled both his political standing and the likelihood of resuming peace negotiations with Israel. In response, Abbas signaled that he did not intend to stand for reelection. Elections scheduled for January were subsequently called off because of the inability to hold them in the Hamas-controlled Gaza Strip. Nevertheless, Abbas's frustration has led some—including those who view Abbas's 2003 resignation as PA prime minister as indicative of his tendencies (see "Mahmoud Abbas (aka 'Abu Mazen')") below—to believe that he might resign. Others think that Abbas's announcement was calculated mainly to draw diplomatic concessions and political support from Israel, the United States, and Arab states.

The possibility of a leadership crisis or even the complete dissolution of the PA if Abbas steps down, combined with the lack of a clear successor, has led many to speculate about who or what might replace him, and about the consequences for stability within the West Bank. The International Foundation for Electoral Systems (IFES) reported in December 2009 that Abbas confirmed that he would remain in office until a successor is elected.<sup>13</sup> Later in December, the PLO's Central Council extended Abbas's term and that of the Palestinian Legislative Council

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(...continued)

*for a Two-State Solution*, by Jim Zanotti.

<sup>11</sup> See Daniel Levy, "Netanyahu's Stubbornness on Settlements Produces American Call for 1967 Borders," *Huffington Post*, November 25, 2009. The PLO is considering seeking a U.N. Security Council resolution to formally demarcate the Green Line as the border of a Palestinian state. See PLO Position Paper, Fatah Media & Culture Commission, December 2009, Open Source Document GMP20091219745001 (translated from Arabic). The positions of the PLO and Arab states on core issues are embodied in the 2002 Arab Peace Initiative (API). The API was proposed by then-Crown Prince (now King) Abdullah of Saudi Arabia, adopted by the 22-member League of Arab States (which includes the PLO), and later accepted by the 56-member Organization of the Islamic Conference at its 2005 Mecca summit. It offers a comprehensive Arab peace with Israel if Israel were to (1) withdraw fully from the territories it occupied in 1967, (2) agree to the establishment of a Palestinian state with a capital in East Jerusalem, and (3) provide for the "[a]chievement of a just solution to the Palestinian Refugee problem in accordance with UN General Assembly Resolution 194." It was most recently reaffirmed by the Arab League at its Doha, Qatar summit in 2009, but King Abdullah of Saudi Arabia and other Arab leaders have warned that the offer will not last indefinitely. The text of the initiative is available at <http://www.bitterlemons.org/docs/summit.html>. Hamas has insisted on the first two API conditions, plus a right of return for Palestinian refugees, in return for a 10-year *hudna* ("truce"), but refuses to openly consider a permanent peace arrangement or formal recognition of Israel and its right to exist.

<sup>12</sup> See Ali al Salih and Nazir Mujalli, "Abu-Mazin: To My Knowledge, HAMAS Leaders in Gaza Want Reconciliation Because They Are Suffering, But the Leaders in Damascus Do Not Want It," *Al Sharq al Awsat Online*, December 20, 2009, Open Source Document GMP20091220001003 (translated from Arabic).

<sup>13</sup> Palestinian Electoral Environment Update from International Foundation for Electoral Systems, December 7, 2009.

(PLC) indefinitely until elections can be held, but Hamas and other non-PLO factions have challenged the PLO's authority to settle matters of PA law.

Having pursued a negotiated two-state solution and peace agreement with Israel for 20 years, Abbas's Palestine Liberation Organization (PLO) faces a dilemma. The PLO gave up some of its strategic advantages as an independent resistance movement in the mid-1990s with the Oslo process—by bringing the bulk of its political and military assets to territories under Israeli occupation—in return for limited self-rule in the West Bank and Gaza. The PLO hoped that limited self-rule in the territories would transition into the end of Israeli control, but now confronts a situation in which Israeli occupation persists in the West Bank and Hamas rules in a Gaza Strip closed to general travel and commerce and faced with ongoing humanitarian dilemmas.

There is active debate within the PLO and its dominant Fatah faction over whether devotion to the Oslo model of seeking a negotiated solution with Israel still serves Palestinian interests. Each time negotiations have lapsed, the United States and the international community have focused on restarting them, but recurring violence, perceived failures spanning three U.S. presidential administrations, changes in Israeli leadership, and the entrenched division between Abbas in the West Bank and Hamas in Gaza have raised doubts. Lack of tangible progress in negotiations despite raised expectations during President Barack Obama's first year in office has led some within the PLO to advocate different strategies—ranging from unilateral or self-directed efforts toward autonomy or sovereignty in the West Bank and/or Gaza, to various forms of nonviolent or violent resistance against Israeli occupation.

## **Fatah-Hamas Rivalry and the Question of Power Sharing**

The uncertainty that stems from the continuation of Palestinian factional and geographical divisions has led to political pressure from Palestinians, Arab states, and some other members of the international community for a consensus or "unity" government that is acceptable to both Fatah and Hamas. This is the case even though power-sharing could come at the expense of negotiations and security cooperation with Israel, and at the expense of aid and diplomatic ties with the United States and Europe, if the arrangement gives Hamas too prominent a role in the PA. Egyptian efforts to facilitate an agreement to create a power-sharing government—which continue intermittently—have been unsuccessful. Reportedly, negotiations have been complicated by differing views on how to integrate PA and Hamas security operations, when and how to conduct Palestinian presidential and legislative elections, and whom to appoint to government positions.

It is possible that both factions are content to preserve the status quo, with each hoping that developments will strengthen its legitimacy and popularity vis-à-vis the other. Polls in late 2009 seem to indicate an advantage for Abbas and Fatah,<sup>14</sup> but most polls failed to forecast Hamas's victory in 2006. Abbas appears to hope that the Obama Administration and other international actors will help him show progress to Palestinians on the PA's West Bank reform, security, and development goals and, perhaps more importantly, on finding a realistic, peaceful pathway to a Palestinian state.

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<sup>14</sup> Major surveyors of Palestinian public opinion include the Palestinian Center for Policy and Survey Research (<http://www.pcpsr.org/>) and Arab World for Research and Development (<http://www.awrad.org/>).



Hamas, on the other hand, might believe that time will show Palestinians that little is to be gained through reliance on the West or through preserving the option for talks with Israel, particularly under current Prime Minister Binyamin Netanyahu. Hamas argues that Abbas's peaceful engagement plays into the hands of an Israel that seeks to weaken the Palestinians by sowing division through the false hope of a future state. By making the case to Palestinians that it would not be a pushover for Israel, while simultaneously encouraging the post-Gaza-conflict sentiment among some in the West (Europe especially<sup>15</sup>) and Muslim-majority states that it might be an indispensable and a rational actor,<sup>16</sup> Hamas could argue that it should at least share (if not inherit) the mantle of Palestinian leadership. Reportedly, its leaders covet the prospect of becoming a member of and potentially supplanting Fatah as the dominant faction in the PLO.

It remains to be seen whether Hamas is willing to moderate its platform, decrease its militancy, or give up its monopoly on Gaza in return for greater legitimacy and participation in Palestinian institutions. The opportunity, through a power-sharing agreement, for Hamas to reestablish an open presence in the West Bank, with the hope that it might one day gain control of the West Bank through elections or by force, could be persuasive (given that recent PA actions have focused on reducing Hamas's military profile and charitable activities in the West Bank), as could a possible pathway to PLO membership.

A September 2009 Egyptian proposal aiming to broker a Fatah-Hamas power-sharing arrangement contemplated holding presidential and legislative elections in June 2010. Only Fatah has signed the Egyptian proposal. Many believe that Hamas is seeking additional concessions because it perceives that the Goldstone Report controversy (see below) increased its leverage. Hamas has rejected Abbas's election decree for January, insisting that "there will be no elections without [factional] reconciliation."<sup>17</sup> As a result, the PA Central Elections Commission has concluded that elections cannot be held. Although Fatah signed the Egyptian proposal, it does not necessarily mean that Abbas supports either holding elections or sharing power with Hamas. Most analysts believe that Abbas was confident that Hamas would react as it did, and therefore accepted the Egyptian proposal largely in order to portray Hamas, not Fatah, as the obstructionist party.

Reluctance by Abbas to share power with Hamas may be explained by regional trends signaling the possible political ascendancy of nationalist movements featuring Islamist elements at the expense of those featuring secular and/or pan-Arab elements. Some have theorized that these trends are likely to lead to the decline of Abbas's secular Fatah movement—and, along with it, the official PLO position of peaceful engagement with Israel—and to the continuing rise of Hamas and other Islamists. Some, including Khaled Meshaal (Hamas's politburo chief), perceive secular nationalism to be a passing phase nestled within a broader era of Islamist renewal—stating that the historical narrative locating the rise of Palestinian nationalism within secular politics overlooks that many of the first generation of self-consciously Palestinian leaders, including Yasser Arafat, began their political careers within the Muslim Brotherhood.<sup>18</sup> Others contest that

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<sup>15</sup> Legislators from various EU countries have met publicly with Hamas politburo chief Khaled Meshaal and other Hamas leaders, and Hamas representatives claim that high-ranking European officials—including ambassadors—are talking regularly to them. See Andrew Rettman, "EU Countries Practice 'Secret' Diplomacy, Hamas Says," *euobserver.com*, September 14, 2009.

<sup>16</sup> See, e.g., Taghreed El-Khodary and Ethan Bronner, "Addressing U.S., Hamas Says It Grounded Rockets," *New York Times*, May 4, 2009.

<sup>17</sup> Palestinian Electoral Environment Update from International Foundation for Electoral Systems, October 26, 2009.

<sup>18</sup> Paul McGeough, *Kill Khalid: Mossad's Failed Hit ... and the Rise of Hamas*, Crows Nest, Australia: Allen & Unwin, (continued...)

reference to such trends is too simplistic and does not sufficiently account for the many variables (actors, events, ideas) that influence Palestinian politics. Lack of Fatah-Hamas accommodation could fuel further cultural and political separation between Palestinians in the West Bank and in Gaza.<sup>19</sup>

## **Gaza: Hamas and the Status Quo**

Following the December 2008-January 2009 conflict in Gaza (code-named “Operation Cast Lead” by Israel), very little reconstruction has taken place. For most of the time since Hamas’s forcible takeover of the Gaza Strip in June 2007,<sup>20</sup> most of Gaza’s border crossings—including the Rafah border crossing with Egypt—have been closed to everything but a minimum of goods deemed necessary to meet basic humanitarian needs. This is ostensibly to deny Hamas materials to reconstitute its military capabilities, but it also prevents progress toward reinstituting pre-2007 living and working conditions—raising concerns for the future. In many respects, the U.N. Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) and other international organizations and non-governmental organizations take care of the day-to-day humanitarian needs of many of Gaza’s 1.6 million residents.

The militant Islamist group Hamas emerged from the conflict very much in control of Gaza. It has bypassed the border closure regime to some extent by encouraging and facilitating the expansion of a network of smuggling tunnels leading into Gaza from Egypt’s Sinai Peninsula. Since the conflict’s end, Hamas has generally adhered to and enforced a de facto cease-fire with Israel. The quiet has allowed Hamas to rearm through Gaza’s smuggling network—with much of its money, weapons, and other supplies reportedly originating in Iran.<sup>21</sup> Israeli officials are concerned that Hamas’s rockets might be increasing in range to where they endanger the outskirts of Tel Aviv and other major Israeli population centers.<sup>22</sup>

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2009, p. 53, quoting Meshaal as saying, “We’re the root; Fatah is a mere branch.”

<sup>19</sup> This separation may be partially explained by the lack of a territorial link between the two Palestinian territories, and partially explained by geography and recent history linking the Gaza Strip with Egypt and the West Bank with Jordan. For further information on the Gaza/West Bank divide and on the territories’ respective ties with Egypt and Jordan, see CRS Report R40092, *Israel and the Palestinians: Prospects for a Two-State Solution*, by Jim Zanotti.

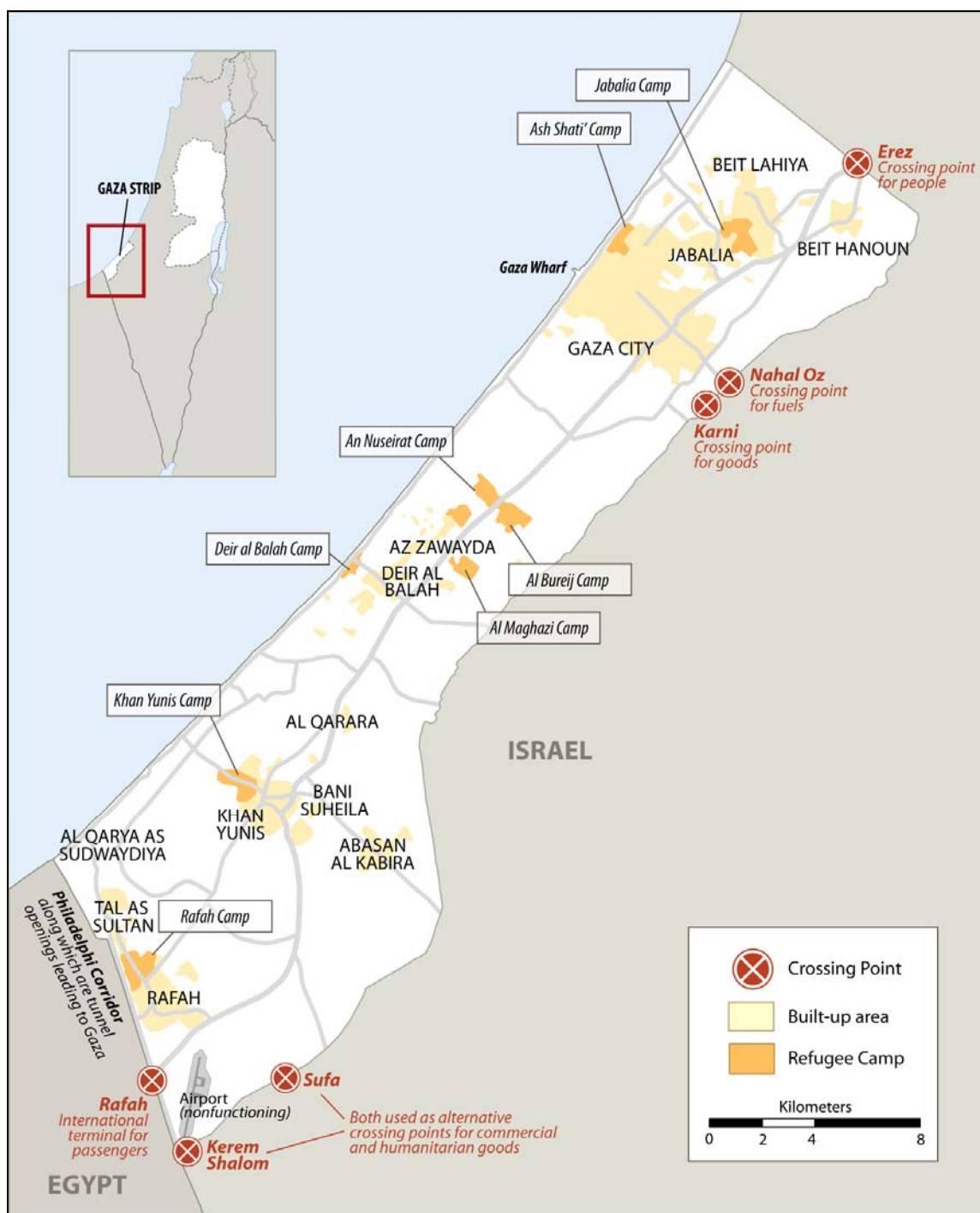
<sup>20</sup> In November 2005, Israel and the PA signed an Agreement on Movement and Access, featuring U.S. and EU participation in the travel and commerce regime that was suppose to emerge post-Gaza disengagement, but this agreement was never fully implemented. In September 2007, three months after Hamas’s takeover of Gaza, the closure regime was further formalized when Israel declared Gaza to be a “hostile entity.”

<sup>21</sup> See CRS Report R40849, *Iran: Regional Perspectives and U.S. Policy*, coordinated by Casey L. Addis.

<sup>22</sup> Mark Weiss, “Hamas rocket range extends to Tel Aviv region, claims Israel,” *irishtimes.com*, November 4, 2009; Jeffrey White, “Hamas and Its Long-Range Rockets: Military and Political Implications,” Washington Institute for Near East Policy PolicyWatch #1603, November 17, 2009, available at <http://www.washingtoninstitute.org/templateC05.php?CID=3143>.



Figure 1. Map of Gaza Strip



**Source:** U.N. Office for the Coordination of Humanitarian Affairs and UNOSAT, with additional data from UNRWA; adapted by CRS.

Hamas's control of Gaza presents a conundrum for the PA, Israel, and the international community. No one has figured out how to assist Gaza's population without bolstering Hamas,

and thus aside from humanitarian assistance, the issue has been largely ignored, despite aspirational pledges otherwise.<sup>23</sup> Breaking the political deadlock on Gaza could include one or more of the following: (1) reuniting Gaza with the West Bank under a Palestinian factional power-sharing arrangement, (2) a general opening of Gaza's borders, (3) a formal Hamas-Israel cease-fire, and (4) a prisoner exchange deal involving captured Israeli soldier Gilad Shalit. There are concerns that if the status quo holds, the massive unemployment and dispiriting living conditions that have worsened since Israel's withdrawal in 2005 could contribute to further radicalization of the population, decreasing prospects for peace with Israel and for Palestinian unity and increasing the potential for future violence.

The Report of the U.N. Fact Finding Mission on the Gaza Conflict (commonly known as the "Goldstone Report," after South African judge Richard Goldstone, the mission's leader), which was endorsed by the U.N. Human Rights Council and the U.N. General Assembly in fall 2009, has generated controversy because of what many U.S. officials and analysts have deemed its disproportionate and hyperbolic condemnation of Israeli strategy and actions during the conflict.<sup>24</sup> Most critics of the report believe that it did not sufficiently investigate or criticize Hamas for endangering Gaza's civilian population (including its allegedly intentional use of hospitals, schools, mosques, and residential neighborhoods as command and operations centers or as weapons caches). On November 3, 2009, the House of Representatives passed H.Res. 867 ("Calling on the President and the Secretary of State to oppose unequivocally any endorsement or further consideration of the 'Report of the United Nations Fact Finding Mission on the Gaza Conflict' in multilateral fora") by a vote of 344-36 (with 22 voting "present").

See "Hamas Rule in Gaza" below for more details. For additional information on Israel's and Hamas's respective actions during the Gaza conflict, see CRS Report R40101, *Israel and Hamas: Conflict in Gaza (2008-2009)*, coordinated by Jim Zanotti.

## **West Bank: U.S. and International Assistance**

The PA's dependence on foreign assistance is acute—largely a result of the distortion of the West Bank/Gaza economy in the 40 years since Israeli occupation began and of the bloat of the PA's payroll since its inception 15 years ago. Facing a regular annual budget deficit of over \$1 billion, PA Prime Minister Salam Fayyad spends much of his time seeking aid from the United States and other international sources. Absent major structural changes in revenue and expenses, which do not appear likely in the near term despite robust economic growth projections, this dependence will likely continue.

Since the installation of Salam Fayyad as prime minister in mid-2007, the PA has committed itself to reforming PA institutions across the board. The United States has appropriated or reprogrammed nearly \$2 billion since 2007 in support of these programs, including \$650 million for direct budgetary assistance to the PA and nearly \$400 million (toward training, non-lethal equipment, facilities, strategic planning, and administration) for strengthening and reforming PA security forces and criminal justice systems in the West Bank. The remainder is for USAID-

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<sup>23</sup> See, e.g., *Failing Gaza: No rebuilding, no recovery, no more excuses (A report one year after Operation Cast Lead)*, Amnesty International UK, et al., December 2009, available at [http://www.amnesty.org.uk/uploads/documents/doc\\_20012.pdf](http://www.amnesty.org.uk/uploads/documents/doc_20012.pdf).

<sup>24</sup> The Goldstone Report, dated September 25, 2009, is available at <http://www2.ohchr.org/english/bodies/hrcouncil/specialsession/9/FactFindingMission.htm>.

administered programs implemented by non-governmental organizations in humanitarian assistance, economic development, democratic reform, improving water access and other infrastructure, health care, education, and vocational training. In December 2009, Congress approved \$500 million in total assistance pursuant to P.L. 111-117, the Consolidated Appropriations Act, 2010.

**Table 3. U.S. Bilateral Assistance to the Palestinians, FY2004-FY2010**

(regular and supplemental appropriations; current year \$ in millions)

<b>Account</b>	<b>FY2004</b>	<b>FY2005</b>	<b>FY2006</b>	<b>FY2007</b>	<b>FY2008</b>	<b>FY2009</b>	<b>FY2010</b>
Economic Support Fund	74.5	224.4	148.5	50.0	389.5	776.0	400.4
P.L. 480 Title II (Food Aid)	-	6.0	4.4	19.488	-	-	-
INCLE <sup>a</sup>	-	-	-	-	25.0	184.0	100.0
Transition Aid	-	-	0.343	-	-	-	-
<b>Total</b>	<b>74.5</b>	<b>230.4</b>	<b>153.243</b>	<b>69.488</b>	<b>414.5</b>	<b>960.0</b>	<b>500.4</b>

**Sources:** U.S. Department of State, USAID.

**Notes:** All amounts are approximate; for purposes of this table and this report, “bilateral assistance” does not include U.S. contributions to UNRWA or other international organizations from the Migration and Refugee Assistance (MRA) or Emergency Refugee and Migration Assistance (ERMA) accounts, regardless of how the term is defined in legislation.

- a. International Narcotics Control and Law Enforcement account.
- b. Does not include \$86.362 million reprogrammed into the INCLE account by President Bush in January 2007.

Security and criminal justice assistance and reform receive a great deal of political attention, both because of their linkage with prospects for diplomatic progress, and because of the sensitivities they inevitably raise given the often conflicting priorities they address. These include (1) Israeli determination to neutralize terrorist threats; (2) Palestinian uncertainty over whether a strong national force should be more intent on (a) helping end Israeli occupation or (b) countering factional militias (such as Hamas’s); and (3) international insistence on the criminal justice system’s legality, transparency, and respect for human rights norms. Lieutenant General Keith Dayton has served as the U.S. Security Coordinator for Israel and the Palestinian Authority (USSC) since December 2005 with a multi-national staff of Americans, Canadians, Britons, and Turks based in Jerusalem and Ramallah. Funding for the American USSC staff members and for security assistance activities in Jordan and the West Bank comes from the State Department’s Bureau of International Narcotics and Law Enforcement Affairs (commonly known as the INL Bureau). INL also funds small non-USSC projects in the PA criminal justice sector.

The effectiveness of U.S. assistance is challenged, logistically and strategically, not only by the Israelis, the PLO, the PA, Fatah, Hamas, and their shifting and often conflicting interests, but also by the U.S. interagency process and by the need to coordinate activities and assistance with European states, Arab states, Russia, Japan, Canada and Turkey, among others; and with international organizations and coordinating mechanisms such as the European Union, United Nations,<sup>25</sup> World Bank, the Office of the Quartet Representative, and the Ad Hoc Liaison

<sup>25</sup> Over the years, U.N. organs have set up a number of bodies or offices, as well as five U.N. peacekeeping operations, (continued...)

Committee,<sup>26</sup> among others. Ensuring that international assistance complements U.S. objectives can be difficult or even untenable depending on the circumstances.

For more details on governance, security, and economic matters, see “West Bank Governance Under Israeli Occupation” and “Economic Issues and Trends” below.<sup>27</sup>

## **Terrorism and Militancy**

Along with Hamas, six other Palestinian groups have been designated Foreign Terrorist Organizations (FTOs) by the State Department: Abu Nidal Organization, Al Aqsa Martyrs’ Brigades, Palestine Liberation Front, Palestinian Islamic Jihad, Popular Front for the Liberation of Palestine, and Popular Front for the Liberation of Palestine-General Command. Most Palestinian militant groups claim that they are opposed to peace with Israel on principle, but some—such as the Fatah-affiliated Al Aqsa Martyrs’ Brigades—view militancy and terror as tactics that can be used to improve the Palestinians’ negotiating position. Since Oslo, these groups have engaged in a variety of methods of violence, killing approximately 1,350 Israelis (over 900 civilians—including Jewish settlers in the Palestinian territories—and 450 security force personnel).<sup>28</sup> Palestinians who insist that they are engaging in asymmetric warfare with a stronger enemy point to the approximately 7,000 deaths inflicted on Palestinians by Israelis during the same period,<sup>29</sup> some through acts of terrorism aimed at civilians.<sup>30</sup>

Although damage is difficult to measure qualitatively, suicide bombings have constituted a fearsome means of attack, claiming approximately 700 Israeli lives (mostly civilians within Israel proper).<sup>31</sup> After peaking during the second intifada years of 2001-2003, suicide bombings have largely ceased (two occurrences and four deaths since early 2006). Many attribute the drop-off to enhanced Israeli security measures—the withdrawal from Gaza and general closure of its borders, the West Bank separation barrier and tightening of border checkpoints—but Hamas’s entry into a

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which had mandates or functions directly related to Palestine or the Arab-Israeli dispute. **Appendix B** of this report provides information on each of these bodies.

<sup>26</sup> The Ad Hoc Liaison Committee is a coordinating mechanism for Israel, the PA, and all major international actors providing assistance to the Palestinians that was established in the mid-1990s to facilitate reform and development in the West Bank and Gaza in connection with the Oslo process. Norway permanently chairs the committee, which meets periodically in various international venues and is divided into sectors with their own heads for discrete issue areas such as economic development, security and justice, and civil society.

<sup>27</sup> See also CRS Report RS22967, *U.S. Foreign Aid to the Palestinians*, by Jim Zanotti; and CRS Report R40664, *U.S. Security Assistance to the Palestinian Authority*, by Jim Zanotti.

<sup>28</sup> Statistics culled from B’Tselem (The Israeli Information Center for Human Rights in the Occupied Territories) website at <http://www.btselem.org/english/Statistics/Casualties.asp> and [http://www.btselem.org/English/Statistics/First\\_Intifada\\_Tables.asp](http://www.btselem.org/English/Statistics/First_Intifada_Tables.asp).

<sup>29</sup> Ibid.

<sup>30</sup> The most prominent attack by an Israeli against Palestinians was the killing of at least 29 Palestinians (and possibly between 10 to 23 more) and the wounding of about 150 more by Israeli settler Baruch Goldstein (a Brooklyn-born former military doctor) at the Ibrahimi Mosque (Mosque of Abraham) in the Cave of the Patriarchs in Hebron on February 25, 1994 (the Jewish holy day of Purim) while the victims were at prayer. See George J. Church, “When Fury Rules,” *Time*, March 7, 1994. This incident has been cited by many analysts as a provocation for the Palestinian suicide bombing campaign that followed.

<sup>31</sup> Suicide bombing figures culled from Israel Ministry of Foreign Affairs website at <http://www.mfa.gov.il/MFA/Terrorism-+Obstacle+to+Peace/Palestinian+terror+before+2000/Suicide%20and%20Other%20Bombing%20Attacks%20in%20Israel%20Since>.

position of responsibility and political power, the strengthening of PA security forces in the West Bank, and general Palestinian exhaustion with violence have been posited as contributing factors as well. Some analysts believe that militant West Bank organizations and cells are dormant, not extinct,<sup>32</sup> and Israeli officials claim that they continue to foil plots aimed at striking within Israel proper.

Isolated attacks still occur within Israel, often perpetrated by Palestinians using small arms or vehicles as weapons, but their impact pales in comparison with suicide bombings. Militants also stage attacks and attempt to capture Israeli soldiers at or near Gaza border crossings. Antipathy between Jewish settlers and Palestinian residents in the West Bank leads to occasional attacks on both sides—particularly in Hebron and in the northern West Bank near Nablus.

The most pronounced trend since Israel's disengagement from Gaza has been an increased firing of rockets and mortars from the territory Hamas now controls. Tunnels leading from Egypt's Sinai Peninsula into Gaza allow militants to smuggle raw materials used to make crude, short-range explosives (commonly known as "Qassam rockets"), as well as 122mm Grad-style rockets (thought to come from Iran) that have ranges of at least 40 kilometers.<sup>33</sup> The over 8,600 rockets and mortars fired by Palestinians since 2001 have killed at least 28 Israelis and wounded hundreds.<sup>34</sup> The persistent threat of rocket fire has had a broader negative psychological effect on Israelis living in targeted communities.<sup>35</sup> Because rockets are fired indiscriminately without regard for avoiding these communities, most neutral observers view this as tantamount to intentional targeting of civilians.

Israel is developing the "Iron Dome" missile defense system, and co-developing the "David's Sling" (aka "Magic Wand") system with the United States, in response to the rocket threat.<sup>36</sup> It hopes to have both systems operational sometime in 2010. It also is seeking U.S. and international help to slow or stop the Gaza smuggling network, out of concern that Palestinian militants might soon acquire longer-range rockets and precision targeting capabilities that would increase the danger to larger population centers such as Tel Aviv. The possibility that a far more dangerous rocket threat could emerge in the West Bank underlies Israeli reluctance to consider withdrawal without copious security guarantees. The possibility also exists of a coordinated or simultaneous rocket attack by Palestinian militants from Gaza and by the militant Lebanese Shia group Hezbollah. Relatively few rockets and mortars have been fired since the end of the Gaza conflict in January 2009 (with only property damage and minor injuries reported), but most analysts believe that Hamas and other militants have stockpiled a few thousand rockets for potential future use.

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<sup>32</sup> Matthew Levitt, "Hamas's Ideological Crisis," *Current Trends in Islamist Ideology* (Hudson Institute), November 6, 2009, available at <http://www.currenttrends.org/research/detail/hamass-ideological-crisis>.

<sup>33</sup> For more information, see CRS Report R40101, *Israel and Hamas: Conflict in Gaza (2008-2009)*, coordinated by Jim Zanotti.

<sup>34</sup> "Q&A: Gaza conflict," *BBC News*, January 18, 2009, available at [http://news.bbc.co.uk/2/hi/middle\\_east/7818022.stm](http://news.bbc.co.uk/2/hi/middle_east/7818022.stm).

<sup>35</sup> Toni O'Loughlin and Hazem Balousha, "News: Air Strikes on Gaza," *The Observer* (UK), December 28, 2008; David Isby, "Effective anti-Qassam defence could be more than six years away," *Jane's Missiles and Rockets*, January 1, 2007.

<sup>36</sup> For more information on these two systems, see CRS Report RL33222, *U.S. Foreign Aid to Israel*, by Jeremy M. Sharp.



## The Regional Context<sup>37</sup>

Without sovereignty or a self-sufficient economy, Palestinians' fortunes depend to a large degree on the policies of other countries and international organizations with influence in the surrounding region. Almost every aspect of Palestinian existence has some connection with Israel given its occupation of the West Bank and East Jerusalem and its large measure of control over borders, resources, and trade in both the West Bank and Gaza. U.S. priorities continue to shape the framework within which Israeli-Palestinian issues are treated. Some observers believe that the Israeli-Palestinian conflict commands less U.S. attention than it deserves because issues in Afghanistan, Pakistan, Iraq, and Iran distract attention from it. Others suggest that U.S. involvement with and support to the Palestinians, particularly since Yasser Arafat's death in 2004, demonstrates that the United States does accord the conflict priority status despite the many other existing global concerns.

Arab states (especially Gulf states) provided large amounts of aid to the PA in 2006-2007 after the United States and European Union withdrew their aid in the wake of Hamas's legislative victory,<sup>38</sup> but following the reinstitution of U.S. and EU aid in mid-2007 (upon Hamas's dismissal from the PA government following its takeover of the Gaza Strip), most of them reduced contributions.<sup>39</sup> Routinely, they make generous pledges (including over \$1.8 billion dollars in the wake of the 2008-2009 Gaza conflict) of aid to the Palestinians, but often fulfill them only in part and after significant delay.<sup>40</sup> Their reluctance to fulfill pledges may stem from misgivings over "picking sides" in Palestinian factional disputes and from concerns that without imminent prospects either for domestic political unity or for progress on the Israeli-Palestinian peace process, any money contributed could be wasted. On the part of the Gulf states in particular, reluctance may also stem from a feeling that they are less responsible historically for the Palestinians' situation than Israel, the United States, and Europe.<sup>41</sup> Some observers believe that Arab states have been historically complicit in prolonging the plight of the Palestinians (and Palestinian refugees in particular) because it pressures Israel and serves Arab states' domestic interests by deflecting attention from their leaders' shortcomings and by avoiding difficulties that might result from assimilating the refugees into their societies.

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<sup>37</sup> See the following reports for information on the Palestinians' relations with other countries in the region: CRS Report RL33476, *Israel: Background and Relations with the United States*, by Carol Migdalovitz; CRS Report RL33530, *Israeli-Arab Negotiations: Background, Conflicts, and U.S. Policy*, by Carol Migdalovitz; CRS Report R40092, *Israel and the Palestinians: Prospects for a Two-State Solution*, by Jim Zanotti; CRS Report R40849, *Iran: Regional Perspectives and U.S. Policy*, coordinated by Casey L. Addis; CRS Report RL33003, *Egypt: Background and U.S. Relations*, by Jeremy M. Sharp; CRS Report RL33546, *Jordan: Background and U.S. Relations*, by Jeremy M. Sharp.

<sup>38</sup> Before 2006, Saudi Arabian support to the PA was estimated at \$80 million to \$100 million per year. After Hamas came to power in 2006, Saudi support was channeled through the office of President Abbas.

<sup>39</sup> See Glenn Kessler, "Arab Aid to Palestinians Often Doesn't Fulfill Pledges," *Washington Post*, July 27, 2008; "Falling Short," *Washington Post*, July 27, 2008, available at <http://www.washingtonpost.com/wp-dyn/content/graphic/2008/07/27/GR2008072700095.html?sid=ST2008072700226>.

<sup>40</sup> Following international pressure, Saudi Arabia contributed over \$240 million to the PA's budget in 2009. Smaller budget support contributions in 2009 have been made by the United Arab Emirates, Algeria, Egypt, and Oman. Information provided to CRS from State Department, October 2009.

<sup>41</sup> Some believe that Gulf states remain hardened to the plight of Palestinian refugees at least partly because of lingering resentment from Yasser Arafat's support for Saddam Hussein's 1990 invasion of Kuwait (which was reversed by a U.S.-led coalition during the 1991 Gulf War), after which thousands of Palestinians were expelled from these states.

## Palestine Liberation Organization (PLO)

The Palestine Liberation Organization (PLO) is recognized by the United Nations (including Israel since 1993) as the legitimate representative of the Palestinian people, wherever they may reside. It is an umbrella organization that includes 10 Palestinian factions (but not Hamas or other Islamist rejectionist groups). As described in “Historical Background and Palestinian Identity” above, the PLO was founded in 1964, and, since 1969, has been dominated by the secular nationalist Fatah movement.

Organizationally, the PLO consists of an Executive Committee, the Palestinian National Council (or PNC, its legislature), and a Central Council.<sup>42</sup> The PNC is supposed to meet every two years to conduct business, and consists of approximately 700 members, a majority of whom are from the diaspora. The PNC elects the 18 members of the Executive Committee, who function as a cabinet—with each member assuming discrete responsibilities—and the Executive Committee elects its own chairperson. In August 2009, the PNC convened for the first time since 1998 when Mahmoud Abbas (Chairman of the PLO Executive Committee) called an extraordinary session in Ramallah to hold new Executive Committee elections.<sup>43</sup> The Central Council is chaired by the PNC president and has over 100 members—consisting of the entire Executive Committee, plus (among others) representatives from Fatah and other PLO factions, the Palestinian Legislative Council, and prominent interest groups and professions. The Central Council functions as a link between the Executive Committee and the PNC that makes policy decisions between PNC sessions.

After waging guerrilla warfare against Israel throughout the 1970s and 1980s under the leadership of the late Yasser Arafat from exile in Jordan, Lebanon, and Tunisia, the PNC declared Palestinian independence and statehood in 1988 at a point roughly coinciding with the PLO’s decision to publicly accept the “land-for-peace” principle of U.N. Security Council Resolution 242 and to contemplate recognizing Israel’s right to exist. The declaration had little practical effect, however, because the PLO was in exile in Tunisia and did not define the territorial scope of its state.<sup>44</sup> Nevertheless, 94 countries have recognized the state of Palestine, including Russia and China,<sup>45</sup> and the PLO refers to its Executive Committee chairman as the “President of the State of Palestine.”

The PLO recognized the right of Israel to exist in 1993. In 1996, Arafat was elected as the first president of the Palestinian National Authority (or Palestinian Authority, hereinafter PA) that was granted limited rule (under supervening Israeli occupational authority) in the Gaza Strip and parts of the West Bank in the mid-1990s pursuant to the Oslo Accords.

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<sup>42</sup> See “Palestinian Organizations and Parties,” *MidEastWeb*, available at <http://www.mideastweb.org/palestinianparties.htm#PLO>, as a source for much of the PLO organizational information in this paragraph.

<sup>43</sup> In addition to Abbas, the PLO Executive Committee includes such figures as Yasser Abed Rabbo, Saeb Erekat, Ahmed Qurei, and Hanan Ashrawi. A full listing can be found in “Abbas shuffles PLO Executive Committee, ousts Qaddoumi,” *Ma’an*, September 14, 2009.

<sup>44</sup> The declaration included the phrase: “The State of Palestine is the state of Palestinians wherever they may be.” The text is available at <http://www.mideastweb.org/plc1988.htm>.

<sup>45</sup> See the PA’s website at [http://web.archive.org/web/20060404211437/http://www.pna.gov.ps/Government/gov/recognition\\_of\\_the\\_State\\_of\\_Palestine.asp](http://web.archive.org/web/20060404211437/http://www.pna.gov.ps/Government/gov/recognition_of_the_State_of_Palestine.asp).

While the PA administers the territories over which Israel has granted it jurisdiction, the PLO remains the representative of the Palestinian people in negotiations with Israel and with other international actors. The PLO has a representative in Washington, DC (although it is not considered a formal diplomatic mission), maintains a permanent observer mission to the United Nations in New York and in Geneva (under the name “Palestine”), and has missions and embassies in other countries—some with full diplomatic status. It is a full member of both the League of Arab States and the Organization of the Islamic Conference.

## Palestinian Authority (PA)

### General Profile

The PA, although not a state, is organized like one—complete with democratic mechanisms; security forces; and executive, legislative, and judicial organs of governance. As mentioned above, the PA was organized in the mid-1990s to administer the Gaza Strip and specified areas within the West Bank.<sup>46</sup> Ramallah is its de facto seat, but is not considered to be the PA capital because of Palestinian determination to make Jerusalem (or at least the part east of the Green Line) the capital of a Palestinian state. The executive branch has both a president and a prime minister-led cabinet, the Palestinian Legislative Council (PLC) is its legislature, and the judicial branch has separate high courts to decide substantive disputes and to settle constitutional controversies, as well as a High Judicial Council.<sup>47</sup> The electoral base of the PA is composed of Palestinians from the West Bank, Jerusalem, and the Gaza Strip. Direct U.S. assistance to Palestinian governing institutions from the State Department and the U.S. Agency for International Development (USAID) has always been provided through the PA, not through the PLO or Palestinian factions.

The first PA elections were held January 20, 1996 in accordance with the Oslo Accords. Yasser Arafat was elected president with 88% of the vote and Fatah won 55 of the then-88 seats in the Palestinian Legislative Council (PLC). After stalling repeatedly, Arafat ratified a Basic Law to function as the PA’s charter in 2002 pending a permanent constitution for a Palestinian state. Largely criticized by the United States and Israel for his complicity in Palestinian violence during the second intifada, or for his inability to stanch it, Arafat—under pressure from both countries—had the Basic Law amended in March 2003 to create the office of prime minister to oversee the ministries that had originally been in Arafat’s domain as PA president.<sup>48</sup> This formality, however, did not substantially alter Arafat’s overarching control over the PA.

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<sup>46</sup> The relevant Israel-PLO agreements that created the PA and established its parameters were the Agreement on the Gaza Strip and the Jericho Area, dated May 4, 1994, text available at <http://www.mfa.gov.il/MFA/Peace+Process/Guide+to+the+Peace+Process/Agreement+on+Gaza+Strip+and+Jericho+Area.htm#articlev>; and the Israeli-Palestinian Interim Agreement on the West Bank and the Gaza Strip, dated September 28, 1995, available at <http://www.jewishvirtuallibrary.org/jsource/Peace/interim.html>.

<sup>47</sup> See U.N. Development Programme—Programme on Governance in the Arab Region website at <http://www.pogar.org/countries/country.aspx?cid=14>. However, human rights groups have voiced concern that the PA executive continues to circumvent civilian courts that might check its power by employing military courts on a wider range of matters than the civilian courts deem proper. See Goldstone Report, *op. cit.*, pp. 337-338.

<sup>48</sup> The Basic Law was further amended in August 2005. The text is available at <http://www.palestinianbasiclaw.org/>.



Following Arafat's death in November 2004, Mahmoud Abbas was elected PA president in January 2005. However, polling data between 1996 and 2004 showed a significant drop in support for Fatah against a backdrop of widespread political alienation. Most observers believe Fatah's decline was due to the public's perception that the PA was rife with corruption, out of touch with the populace, and had failed to achieve progress toward statehood or provide law and order.

In January 2006 legislative elections, Hamas won 74 of the 132 seats in the PLC,<sup>49</sup> Fatah won 45 seats, and smaller parties claimed the remainder. Hamas's margin of victory in the popular vote was far narrower—44% to Fatah's 41%. Most observers believe that the Hamas victory was a function of several factors, including (1) a complicated, mixed electoral system that rewarded Hamas's better organization and party discipline, (2) disaffection among younger, marginalized political activists, and a (3) general disenchantment with Fatah over its inability to deliver peace and good governance.<sup>50</sup> In several electoral districts, moreover, multiple candidates divided the Fatah vote while Hamas ran only one candidate.

After Hamas won the 2006 legislative elections, the United States and the European Union halted direct aid to the PA. The factional standoff between Fatah and Hamas that persisted with Abbas as PA president and Hamas controlling the PLC and the government ministries<sup>51</sup> was only temporarily eased by a February 2007 Hamas-Fatah "unity agreement" brokered by Saudi Arabia (known as the Mecca Accord). These tensions produced fighting between Hamas and Fatah that led to Hamas's forcible takeover of the Gaza Strip in June 2007. In response to the Hamas takeover, PA President Abbas dissolved the Hamas-led government and appointed a "caretaker" technocratic PA government in the West Bank (led by Prime Minister Salam Fayyad, a former World Bank and International Monetary Fund official), leading to renewed U.S. and international assistance for the PA in the West Bank that prompted Hamas to further tighten its grip on Gaza.

The PLC is currently sidelined due to its lack of a quorum caused by the West Bank/Gaza split and the imprisonment of several Hamas PLC members by Israel. However, Hamas uses its 2006 electoral mandate as an argument—along with the argument that Abbas used extra-legal means to dismiss its government—to legitimize its rule over Gaza. In October 2009, Abbas called for elections in January 2010, but in November 2009, the Central Elections Commission concluded that elections could not be held owing to Hamas's refusal to permit them in Gaza. In December 2009, the PLO Central Council met to extend Abbas's presidential term and the PLC's term indefinitely until elections can be held, but Hamas and other non-PLO factions have challenged the PLO's authority to settle matters of PA law.

Because some PA leaders hold overlapping leadership roles within the PLO and various factions, it is sometimes difficult to gauge the degree to which Palestinians consider the PA truly authoritative even within the West Bank. For example, until his death in 2004, Yasser Arafat served as PA president, PLO chairman, and head of Fatah, and following Arafat's death, Mahmoud Abbas has succeeded him in each of these roles. Many observers wonder how the PLO

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<sup>49</sup> The PLC amended the Electoral Law in 2005, expanding the PLC from 88 to 132 seats.

<sup>50</sup> For a fuller discussion of the implications of the 2006 PLC election, see Riad Malki, "Beyond Hamas and Fatah," *Journal of Democracy*, Vol. 17, No. 3, July 2006.

<sup>51</sup> This time, the United States and Israel supported increasing the power of the PA presidency at the expense of the Hamas prime minister and cabinet—a turnabout from their 2003 approach to the organs of PA governance when Arafat was PA president.

and PA will coordinate their functions and be regarded by the Palestinian people at a future point when the leadership of the two institutions and of Fatah might be different. Some speculate that the PA could somehow forge an identity completely independent from (and perhaps in competition with) the PLO, or, alternatively, that the PLO might attempt to restructure or dissolve the PA (either in concert with Israel or unilaterally) pursuant to the claim that the PA is a constitutional creature of PLO agreements with Israel and was only meant to be a temporary, transitional mechanism for the five-year period prescribed for final-status negotiations, and not an indefinite administrative authority.

## **Prime Minister Salam Fayyad**

Salam Fayyad is the PA prime minister and finance minister. He is not a member of either Fatah or Hamas, although PA President Mahmoud Abbas (of Fatah) appointed him to his current position.<sup>52</sup> Many believe that U.S. and international confidence in Fayyad is the primary reason he obtained and maintains his position. The two-year institution-building, reform, and development plan for “de facto Palestinian statehood” that Fayyad unveiled in summer 2009 is the subject of much interest in policy and analytical circles.<sup>53</sup>

Born in 1952 in the West Bank, Fayyad received a Ph.D. in economics from the University of Texas, and has worked with the World Bank, the International Monetary Fund, and the Arab Bank. He was elected to the PLC in 2006 as a member of the small centrist Third Way Party that also includes the prominent female leader Hanan Ashrawi. He served as finance minister from 2002-2005 and again in the national unity government (including both Hamas and Fatah) from March to June 2007, and has served as PA prime minister and finance minister since President Abbas’s dismissal of Hamas from the government in response to Hamas’s Gaza takeover in June 2007. Fayyad formed his second government, which includes members of Fatah and other PLO factions, in May 2009.

Fayyad has been attacked as an illegitimate political actor by Hamas and others because his appointment by Abbas as prime minister was made without legislative backing. He also has faced resistance from Fatah loyalists for actions that some might describe as independent in the face of an entrenched patronage-based system and others might characterize as political opportunism aimed at expanding his currently small political base. He has been careful in his public pronouncements to support the concept of Palestinian unity, and even resigned his post in March 2009 to clear the way for a potential Fatah-Hamas power-sharing arrangement before being reappointed by Abbas in May to form his second government.

## **West Bank Governance Under Israeli Occupation**

The Palestinian Authority administers densely-populated Palestinian areas in the West Bank subject to supervening Israeli control of the West Bank under the Oslo agreements (see **Figure 2** below for map).<sup>54</sup> Israel Defense Forces (IDF) soldiers regularly mount arrest operations to

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<sup>52</sup> For information on other members of the PA government that was organized in May 2009, see “Profiles of Palestinian Caretaker Government Ministers May 09,” Open Source Document GMP20090524745004, May 24, 2009.

<sup>53</sup> See footnote 6.

<sup>54</sup> The two agreements that define respective Israeli and PA zones of control are (1) the Israeli-Palestinian Interim Agreement on the West Bank and the Gaza Strip, dated September 28, 1995, available at (continued...)

apprehend wanted Palestinians or foil terrorist plots, and maintain permanent posts throughout the West Bank and along the West Bank's borders with Israel and Jordan to protect Jewish settlers and for broader security reasons.

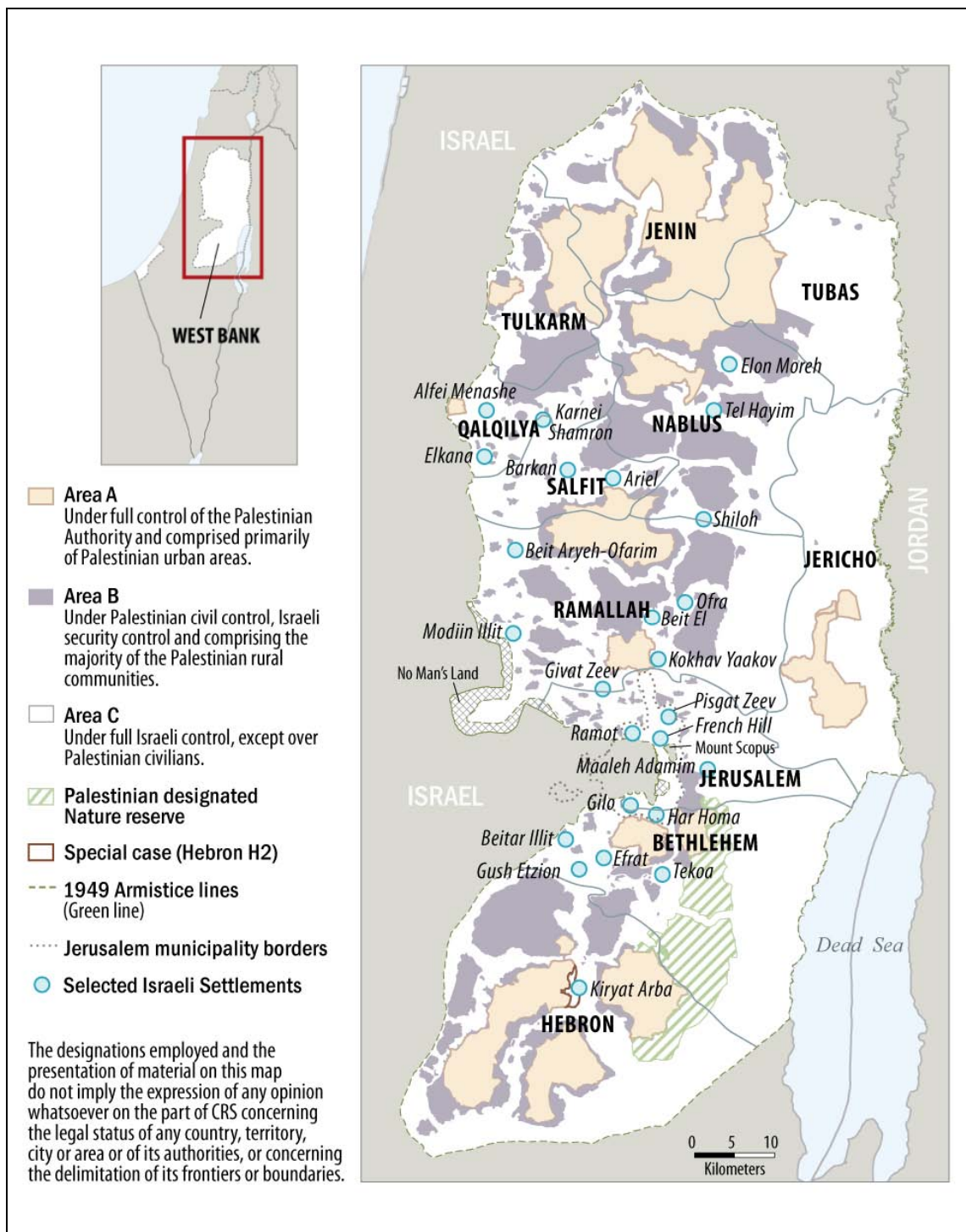
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<http://www.jewishvirtuallibrary.org/jsource/Peace/interim.html>; and the Protocol Concerning the Redeployment in Hebron, dated January 17, 1997, available at <http://www.yale.edu/lawweb/avalon/mideast/hebron.htm>. East Jerusalem is excluded from these agreements, as Israel has annexed it.

**Figure 2. Map of West Bank**

PA Governorates; Areas A, B, and C; and Selected Israeli Settlements



**Source:** CRS, adapted from the U.N. Office for the Coordination of Humanitarian Affairs.

**Notes:** All boundaries and depictions are approximate. Areas A, B, and C were designated pursuant to the Israeli-Palestinian Interim Agreement on the West Bank and the Gaza Strip, dated September 28, 1995. H2 was designated pursuant to the Protocol Concerning the Redeployment in Hebron, dated January 17, 1997.

Additional Israeli settlements exist within Area C but are not denoted, particularly a group of settlements with small populations located along the Jordanian border (the Jordan Valley).

Coordination between Israeli and PA authorities generally takes place on a case-by-case basis and usually discreetly, given the political sensitivity for PA leaders to be seen “collaborating” with Israeli occupiers. The physical and psychological effects of Operation Defensive Shield linger. During the operation, which took place in early 2002 at the height of the second intifada, Israel reoccupied PA-controlled areas of the West Bank—demolishing many official PA buildings, Palestinian neighborhoods, and other infrastructure; and reinforcing many Palestinians’ opinion that Israel retained ultimate control over their lives.

PA Prime Minister Salam Fayyad’s reform plans and efforts have inspired confidence internationally, including from several U.S. and Israeli officials and analysts, despite his facing a multitude of internal and external challenges. His first challenge was to establish and maintain a single treasury account and PA payroll to assure international donors that aid would not be funneled to terrorists and that past PA practices of graft and corruption would not be repeated. With the “de facto statehood” plan Fayyad rolled out during summer 2009,<sup>55</sup> he signaled his intent to deepen his commitment to reform in all areas of governance, security, and public services:

We are talking about security capability, law and order, including a well-functioning judiciary. Security is not complete unless there is a widespread belief on the part of the public that there is due process.... Additionally, [we need] physical infrastructure to provide services effectively to our people in all areas—social services, health, education.... The idea behind this is to ensure that in a couple of years, it will not be difficult for people looking at us from any corner of the universe to conclude that the Palestinians have a state.<sup>56</sup>

Many observers point to signs of progress with PA security capacities and West Bank economic development, along with greater Israeli cooperation. It is less clear whether the progress they cite can be made self-sustaining and can be useful in promoting a broader political solution, and whether the level of Israeli cooperation is sufficient.<sup>57</sup> Some are concerned that, without a functioning Palestinian legislature and with the prospect of future PA elections uncertain, the rule of President Abbas and Prime Minister Fayyad is becoming less legitimate and more authoritarian.

## **Fatah and Other PLO Factions**

### **Fatah: General Profile**

Fatah, the secular nationalist movement formerly led by Arafat, has been the largest and dominant faction in the Palestine Liberation Organization (PLO) for decades. Since the establishment of the Palestinian Authority (PA) and limited self-rule in 1994, Fatah has dominated the PA, except for

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<sup>55</sup> See *Palestine: Ending the Occupation, Establishing the State*, op. cit.

<sup>56</sup> Lally Weymouth, “‘Institution building’ in Palestine,” *Washington Post*, October 24, 2009.

<sup>57</sup> For a more detailed discussion of the issues raised in this paragraph, see CRS Report RS22967, *U.S. Foreign Aid to the Palestinians*, by Jim Zanotti; and CRS Report R40664, *U.S. Security Assistance to the Palestinian Authority*, by Jim Zanotti. The Government Accountability Office (GAO) is currently conducting research for a report on U.S. assistance to PA security forces and the PA criminal justice system that is expected to be published in spring 2010.



during the period of Hamas rule from 2006-2007. Yet, problems with internecine violence, widespread disenchantment with Fatah's corruption and poor governance, and the failure to establish a Palestinian state have led to popular disillusionment. The death of Arafat in 2004 removed Fatah's unifying symbol, further eroding the movement's support as Mahmoud Abbas took over its leadership.

Additionally, the image of Fatah as the embodiment of Palestinian nationalism and resistance to Israeli occupation has gradually faded away. Although he is the head of the movement, Mahmoud Abbas generally carries out his PLO and PA leadership roles without close consultation with his nominal allies in Fatah. In a November 2009 report, the International Crisis Group said, in reference to Fatah's seemingly declining influence:

Resistance in the region is spearheaded by Islamic, not secular groups; Arafat is no more; diplomacy is President Abbas's preserve; Salam Fayyad's government dominates the West Bank, while Hamas controls Gaza. Far from being a big tent under which all Palestinian forces assemble, Fatah is being crowded out by competing forces.<sup>58</sup>

For years, analysts have pointed to a split within Fatah between those of the "old guard" (mainly Arafat's close associates from the period of exile) and those of a "young guard" some believe to be more attuned to on-the-ground realities—personified by leaders such as the imprisoned (by Israel) but popular Marwan Barghouti. Cleavages and overlaps within and among these groups and the political coming-of-age of even younger Fatah partisans, combined with factors mentioned above that have eroded Fatah's support base and credibility, have created doubts regarding Fatah's long-term cohesion and viability.

In August 2009, Fatah held its Sixth Congress in Bethlehem. It was the first Fatah congress held since 1989—the first of the post-Oslo, post-Arafat era. Although some exiled members of the movement lamented that Abbas would hold the congress under Israeli occupation and thus sought to marginalize him, most analysts deemed the congress a success simply for being held. Interviews and polls indicated that it boosted Abbas's image as a leader both among and outside of the Fatah faithful. The long-term consequences of the congress for Fatah's future in Palestinian politics are less clear. The congress held elections for most of the members of both Fatah's 23-seat Central Committee (its executive board) and approximately 100-seat Revolutionary Council (responsible for implementing Central Committee decisions). Observers believe that the resulting bodies are more representative of the movement's active membership and its power centers, despite the acknowledged influence of patronage, disorganization, and lack of transparency on voting procedures and results at the congress and in the local delegate selection process held within the West Bank, Gaza, and East Jerusalem.

The congress failed to clearly resolve Fatah's stance on accepted forms of resistance to continued Israeli control over Palestinian territories. Abbas, in his speeches, emphasized "legitimate peaceful resistance" according to international law and complemented by negotiations. Yet the Fatah political program approved by the Revolutionary Council shortly after the congress referred to armed struggle as an "immutable right that legitimacy and international law confers," among other (political, legal, diplomatic) means of resistance, though it also stated that "Fatah has

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<sup>58</sup> International Crisis Group, *Palestine: Salvaging Fatah*, Middle East Report No. 91, November 12, 2009, available at [http://www.crisisgroup.org/library/documents/middle\\_east\\_\\_\\_north\\_africa/arab\\_israeli\\_conflict/91\\_palestine\\_\\_\\_salvaging\\_fatah.pdf](http://www.crisisgroup.org/library/documents/middle_east___north_africa/arab_israeli_conflict/91_palestine___salvaging_fatah.pdf).

refused to target civilians of any kind or move the battle outside [of Palestine].”<sup>59</sup> Nor did the political program specifically amend Fatah’s 1960s charter, which has never been purged of its clauses calling for the destruction of the Zionist state and its economic, political, military, and cultural supports.<sup>60</sup> Many Central Committee members are either less outspoken in their advocacy of nonviolent resistance than Abbas, or explicitly insist on the need to preserve the option of armed struggle.

Israeli leaders voiced concern over the congress’s unwillingness to forswear violence unequivocally. Palestinian leaders and some analysts asserted that holding the congress in the occupied West Bank was a sign that armed resistance is no longer central to Fatah’s mission, but that the defiant rhetoric was symbolically necessary for Fatah to maintain credibility as a movement that does not do Israel’s bidding. Others said that even if Abbas is truly committed to nonviolence, the Fatah leadership’s unwillingness to take a clear public decision on the subject raises legitimate questions about the direction Fatah and the PLO might take either when Abbas’s leadership role ends or if the peace process is perceived to have failed.

The Al Aqsa Martyrs’ Brigades is a militant offshoot of Fatah that emerged in the West Bank early in the second intifada and later began operating in Gaza as well. The group initially targeted only Israeli soldiers and settlers, but in 2002 began a spate of attacks on civilians in Israeli cities and in March 2002 was added to the State Department’s list of Foreign Terrorist Organizations. According to terrorism experts, the group switched tactics to restore Fatah’s standing among Palestinians at a time when Palestinian casualties were mounting, Hamas’s popularity was rising, and Fatah was tainted by its cooperation with Israel during the Oslo years. Most of the Brigades’ members were believed to have hailed from the Palestinian security forces. As part of the PA’s effort to centralize control over West Bank security since Hamas’s takeover of Gaza in mid-2007, the Brigades have (mainly voluntarily, partly through various amnesty programs) disbanded or at least lowered its profile in the West Bank.<sup>61</sup>

Fatah loyalists hope that they can effectively mobilize people at the grassroots level when the next democratic test arises for Palestinians, but some observers warn not to underestimate Hamas’s organization and political base. Although most late 2009 opinion polls showed support for Fatah outpacing that of Hamas by a sizable margin, the polls also indicated that close to 40 percent of Palestinians are unaffiliated with any particular movement.<sup>62</sup>

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<sup>59</sup> Ibid. The full text of the political program from the congress is available at <http://www.imra.org.il/story.php3?id=45117>.

<sup>60</sup> This is the case even though Fatah is the predominant member faction of the PLO, and the PLO formally recognized Israel’s right to exist pursuant to the “Letters of Mutual Recognition” of September 9, 1993 (although controversy remains over whether the PLO charter has been amended to accommodate this recognition).

<sup>61</sup> However, in December 2009, Israeli authorities killed three men in Nablus that Israel accused of being affiliated with the Brigades and of killing an Israeli rabbi while he was driving to his home in a nearby Jewish settlement. See Ethan Bronner, “Israeli Military Kills 6 Palestinians,” *New York Times*, December 26, 2009.

<sup>62</sup> International Crisis Group, op. cit.

## Key Fatah Leaders

### Mahmoud Abbas (aka “Abu Mazen”)

Born in 1935 in Safed in what is now northern Israel, Abbas and his family left as refugees for Syria in 1948 when Israel was founded. He earned a B.A. in law from Damascus University and a Ph.D. in history from Moscow’s Oriental Institute.<sup>63</sup> Abbas was an early member of Yasser Arafat’s Fatah movement, joining in Qatar, and became a top deputy to Arafat and head of the PLO’s national and international relations department in 1980. Abbas initiated dialogue with Jewish and pacifist movements as early as the 1970s, and, as the head of the Palestinian negotiating team to the secret Oslo talks in the early 1990s, is widely seen as one of the main architects of the peace process.<sup>64</sup>

Abbas returned to the Palestinian territories in September 1995 and took residences in Gaza and Ramallah. Together with Yossi Beilin (then an Israeli Labor government minister), Abbas drafted a controversial “Framework for the Conclusion of a Final Status Agreement Between Israel and the PLO” (better known as the “Abu Mazen-Beilin Plan”) in October 1995 (although its existence was denied for five years before the text became public knowledge in September 2000).<sup>65</sup> In March 2003, he was named the first PA prime minister, but never was given full authority because Arafat (the PA president) insisted that ultimate decision-making authority and control over security services lie with him. Abbas resigned as prime minister in frustration with Arafat, the United States, and Israel on September 6, 2003, after just four months in office.

Following the death of Yasser Arafat in November 2004, Abbas succeeded Arafat as chairman of the PLO’s Executive Committee, and he won election as Arafat’s successor as PA president in January 2005 with 62% of the vote. His term has been marked by Israel’s withdrawal from the Gaza Strip, Hamas’s victory in 2006 PLC elections and its subsequent takeover of Gaza and dismissal from the PA government, ongoing attempts at establishing stability and reforming PA institutions in the West Bank, inconclusive 2007-2008 negotiations with the Olmert government in Israel, and the events of 2009 (described above). Hamas and many other third parties claimed that Abbas’s term ended in January 2009, but Abbas and his political allies insisted that it was co-terminous with the PLC’s term that was set to expire in January 2010<sup>66</sup>—until the PLO Central Council decided in December 2009 to extend both terms indefinitely (beyond January 2010) until elections can be held.

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<sup>63</sup> Some Jewish groups allege that Abbas’s doctoral thesis and a book based on the thesis (entitled *The Other Side: The Secret Relationship Between Nazism and Zionism*) downplayed the number of Holocaust victims and accused Jews of collaborating with the Nazis. Abbas has maintained that his work merely cited differences between other historians on Holocaust victim numbers, and has stated that “The Holocaust was a terrible, unforgivable crime against the Jewish nation, a crime against humanity that cannot be accepted by humankind.” “Profile: Mahmoud Abbas,” *BBC News*, available at [http://news.bbc.co.uk/2/hi/middle\\_east/1933453.stm](http://news.bbc.co.uk/2/hi/middle_east/1933453.stm).

<sup>64</sup> Yet, one of the Black September assassins involved in the 1972 Munich Olympics terrorist attack that killed 11 Israeli athletes has claimed that Abbas was responsible for financing the attack, even though Abbas “didn’t know what the money was being spent for.” Alexander Wolff, “The Mastermind,” *Sports Illustrated*, August 26, 2002.

<sup>65</sup> The Abu Mazen-Beilin plan contemplated a two-state solution that, among other things, would create a special mechanism for governing Jerusalem that would allow it to function as the capital of both Israel and Palestine, and would resolve the Palestinian refugee issue by allowing return to Israel only in special cases and providing for a compensation regime and resettlement elsewhere in most others. See “The Beilin-Abu Mazen Document,” October 31, 1995, available at <http://www.bitterlemons.org/docs/beilinmazen.html>.

<sup>66</sup> See “Middle East Politics: Prolonging Abu Mazen,” *Economist Intelligence Unit*, November 28, 2008.



## **Marwan Barghouti**

Born in 1959 near Ramallah, Barghouti is a member of Fatah's "young guard" who first gained prominence as a leader of the first intifada in the late 1980s and early 1990s. During the uprising, he was arrested by Israel and deported to Jordan, where he stayed for seven years until he was permitted to return in 1994 after the 1993 Oslo Accord. He became active in Fatah and was elected to the PLC in 1996, where he regularly criticized Yasser Arafat for corruption and human rights abuses. During the second intifada (which began in September 2000), he was a leader of the Fatah offshoot Tanzim (thought to have been linked with the Al Aqsa Martyrs' Brigades) that perpetrated attacks on Israelis. He was arrested and detained by Israel in 2002 and convicted in 2004 (and given five life sentences) for murdering Israeli civilians; he refused to present a defense, but claimed to condemn attacks against civilians inside Israel.

Barghouti has remained involved politically during his imprisonment, deciding to challenge Mahmoud Abbas for the PA presidency in 2005 before changing his mind and supporting Abbas under pressure from within Fatah, and winning election to the PLC in 2006 on the Fatah list. Barghouti consistently leads Palestinian opinion polls for hypothetical presidential elections by wide margins. Some consider him a potential compromise figure, acceptable both to supporters of Fatah and to those of Hamas because he has resistance credentials and opposes corruption but also supports negotiating peace with Israel. (He speaks Hebrew from his time spent in Israeli prisons.) Others do not believe he can live up to popular expectations for a variety of reasons. Both Abbas and Hamas have reportedly unsuccessfully sought Barghouti's release from prison. Success in obtaining a release could potentially make Barghouti beholden to the party perceived to be responsible. Barghouti was elected to Fatah's Central Committee in August 2009, and there has been speculation that he might run in the next PA presidential election.

## **Other Key Fatah Leaders**

*Saeb Erekat*, born in 1955 in Jericho, is the chief PLO negotiator with Israel and a close associate of Abbas's who was also close to Arafat. Some reports have speculated that Abbas is grooming Erekat to succeed him as PA president and also to be his successor as head of Fatah and of the PLO.<sup>67</sup>

*Muhammad Dahlan*, born in 1961 in Khan Younis refugee camp in Gaza, became and remained prominent in the 1990s and in the early part of this decade less as a political leader in his own right than as a Fatah and PA security sector chief, largely owing to his close ties with Arafat, Abbas, and U.S. officials.<sup>68</sup> Known as the Fatah strongman in Gaza, Dahlan was conspicuously absent in Europe during the decisive fighting that led to the Hamas takeover in 2007. As a result, many observers believed that his political prospects had faded. Yet, he returned to prominence in 2009 and won a seat on Fatah's Central Committee in August, leading to speculation that he may be one of the leading candidates to succeed Abbas in Fatah, PLO, and/or PA ranks.

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<sup>67</sup> Walid Awad, "Threats to Dismiss any Fatah Member Who Runs in the Presidential Elections Without Consultation with Fatah Institutions and Central Committee. A Wave of Anger Within Fatah's Ranks After Abbas's Nomination of Erekat in Palestinian Presidential Elections," *Al Quds al Arabi*, Translated from Arabic in Open Source Document GMP20091208825004, December 8, 2009.

<sup>68</sup> An April 2008 *Vanity Fair* article set forth Dahlan's alleged dealings with U.S. officials over the past decade in detail. The article cites three unnamed U.S. officials who allegedly heard then President George W. Bush refer to Dahlan as "our guy." David Rose, "The Gaza Bombshell," *Vanity Fair*, April 2008.

## Other PLO Factions and Leaders

Factions other than Fatah within the PLO include secular groups such as the Popular Front for the Liberation of Palestine (PFLP, a State Department-designated Foreign Terrorist Organization), the Democratic Front for the Liberation of Palestine, and the Palestinian People's Party. All of these factions have minor political support relative to Fatah and Hamas.

A number of politicians and other leaders without factional affiliation have successfully gained followings among Palestinians and in the international community under the PLO's umbrella. Although these figures—such as Hanan Ashrawi (a female Christian) and Mustafa Barghouti—often have competing agendas, several of them support a negotiated two-state solution, generally oppose violence, and appeal to the Palestinian intellectual elite and to prominent Western governments and organizations.

## Hamas and Other Non-PLO Factions

### Hamas: General Profile

#### Origins and Emergence

No Palestinian movement has benefitted more from, or contributed more to, Fatah's weakening than Hamas, which is an Arabic acronym for the "Islamic Resistance Movement." Hamas, for many years the main opposition force in the Palestinian territories, grew out of the Muslim Brotherhood, a religious and political organization founded in Egypt in 1928 with branches throughout the Arab world. Since Hamas's inception, it has maintained its primary base of support and particularly strong influence in the Gaza Strip, even though its top leadership is headquartered in exile in Damascus, Syria.

Hamas combines Palestinian nationalism with Islamic fundamentalism. Its founding charter commits the group to the destruction of Israel and the establishment of an Islamic state in all of historic Palestine.<sup>69</sup> Written in 1988, Hamas's charter is explicit about the struggle for Palestine being a religious obligation. It describes the land as a *waqf*, or religious endowment, saying that no one can "abandon it or part of it." In the charter, Hamas describes itself as "a distinct Palestinian Movement which owes its loyalty to Allah" and that strives to "raise the banner of Allah over every inch of Palestine." It calls for the elimination of Israel and Jews from Islamic holy land and portrays the Jews in decidedly negative terms, citing anti-Semitic texts. Some observers also note that no Hamas leader is on record as sanctioning a permanent recognition of Israel's right to exist side by side with an independent Palestinian state or as expressing a willingness to disarm or to stop attacks on Israel and Israelis.<sup>70</sup>

Hamas's politicization and militarization can be traced to the first intifada that began in the Gaza Strip in 1987 in resistance to the Israeli occupation. Hamas's founder and spiritual leader, the late Sheikh Ahmed Yassin, established Hamas as the Muslim Brotherhood's local political arm in

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<sup>69</sup> For the English translation of the 1988 Hamas charter, see <http://www.yale.edu/lawweb/avalon/mideast/hamas.htm>.

<sup>70</sup> Steven Erlanger, "Academics View Differences Within Hamas," *New York Times*, January 29, 2006.

December 1987, following the eruption of the intifada. Yassin had established the Islamic Center in Gaza in 1973. In subsequent years leading up to the intifada, Yassin's and his associates' activities—which led to Hamas's founding—were countenanced and sometimes supported by Israel, which believed the Islamists to be a convenient foil for the secular nationalist factions such as Fatah that Israel then perceived to be greater threats.<sup>71</sup>

Hamas rejected the Oslo Accords, boycotted the 1996 elections, and has waged an intermittent terrorist campaign to undermine the peace process. Its military wing, the Izz Al Din al Qassam Brigades,<sup>72</sup> has killed over 200 Israelis in attacks since 1993.<sup>73</sup> The State Department designated Hamas as a Foreign Terrorist Organization (FTO) in 1997 in response to its perpetration of suicide bombings against Israeli civilians, and U.S. aid to the Palestinians has been tailored to bypass Hamas and Hamas-controlled entities. Many of Hamas's leaders, including Sheikh Yassin, have been assassinated by Israel.<sup>74</sup>

Hamas gained popularity among many Palestinians apparently because of its reputation as a less corrupt provider of social services (funded by donations from Palestinians, other Arabs, and international charitable front groups) than Fatah and because of the image it cultivates of unflinching resistance to Israeli occupation. Fatah's political hegemony inside the occupied territories has been undermined by the inability of the PLO to co-opt or incorporate Hamas, which has proved more resistant than its secular rivals to the PLO's inducements. Particularly between 2000 and 2004, the popularity of Hamas began to increase as Fatah's fell. Hamas made a strong showing in a series of municipal elections held between December 2004 and December 2005. Still, many observers were surprised by the scale of Hamas's victory in the January 2006 PLC election.

## **Key Questions Regarding Hamas**

### ***Does Iran Support Hamas?***

According to the State Department, Iran provides financial and military assistance to Hamas.<sup>75</sup> During a December 2009 visit to Tehran, Hamas politburo chief Khaled Meshaal (who is based in Damascus, Syria) said, "Other Arab and Islamic states also support us ... but the Iranian backing

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<sup>71</sup> Later, some measures Israel took to weaken Hamas may have strengthened the movement. For example, several of Hamas's current leaders were deported by Israel from the West Bank and Gaza to southern Lebanon in December 1992. Not only did they persevere and bond through the hardships of a winter in exile, but they also cultivated relations with and received mentorship from the Iran-backed Hezbollah movement before being repatriated to the West Bank and Gaza by Israel in February 1993 as a result of pressure from human rights organizations and the United States. See McGeough, op. cit., p. 68.

<sup>72</sup> Izz Al Din al Qassam was a Muslim Brotherhood member, preacher, and leader of an anti-Zionist and anti-British resistance movement during the Mandate period. He was killed by British forces on November 19, 1935.

<sup>73</sup> Figures culled from Israel Ministry of Foreign Affairs website at <http://www.mfa.gov.il/MFA/Terrorism-+Obstacle+to+Peace/Palestinian+terror+before+2000/Suicide%20and%20Other%20Bombing%20Attacks%20in%20Israel%20Since>.

<sup>74</sup> Israel assassinated Yassin (a quadriplegic confined to a wheelchair) on March 22, 2004, using helicopter-fired missiles, and then assassinated his successor in Gaza, Abdel Aziz al Rantissi, in the same manner less than one month later.

<sup>75</sup> See U.S. Department of State, "Country Reports on Terrorism 2008," Chapter 3, available at <http://www.state.gov/s/ct/rls/crt/2008/122436.htm>.

is in the lead, and therefore we highly appreciate and thank Iran for this.”<sup>76</sup> The Iran-backed Hezbollah movement in Lebanon provides military training as well as financial and moral support to Hamas and has acted in some ways as a mentor or role model for Hamas,<sup>77</sup> which has sought to emulate the Lebanese group’s political and media success. Moreover, Hamas and Hezbollah share the stated goal of driving Israel from occupied territories and ultimately eliminating it. Yet, even though Hamas welcomes direct and indirect Iranian assistance, and even though Iran’s reputation among Arab populations has arguably been bolstered in recent years by its anti-Western and anti-Israel positions and rhetoric, many believe that Hamas and Iran intentionally maintain a measure of distance from one another. An alternate interpretation is that they merely understate the extent of their ties. They appear to understand the importance of Hamas maintaining an image among its domestic constituents as an authentic Palestinian offshoot of the Muslim Brotherhood, instead of as an Iranian proxy—owing to the ethnic, sectarian, and linguistic differences between Palestinians (who are predominantly Arabic-speaking, Sunni, and Arab) and Iranians (who are mostly Persian-speaking, Shia, and non-Arab).

### *Is Hamas a United Organization?*

Various U.S. and international policymakers, including Secretary of State Hillary Rodham Clinton, have said or implied that organizational fissures may exist, particularly between Hamas’s Gaza-based leadership and its leadership-in-exile—viewed as more closely tied to Iran—in Damascus, Syria.<sup>78</sup> Some believe that these potential fissures could be exploited by promising Gazan Hamas leaders greater engagement and other incentives in return for moderating their goals and tactics. Others have said that Hamas is more united than it seems, and that it benefits from the portrayal of its leadership as divided because this perception provides Hamas with greater flexibility in dealing with both Western actors who hold out hope of its moderation and its Syrian and Iranian benefactors who are reminded not to take its rejectionist stance for granted. Presenting a divided front also may serve Hamas by providing it with a rationale to explain policy inconsistencies or changes of direction to the Palestinian people.

### *Would Hamas Ever Accept Israel’s Existence?*

Some observers see Hamas as a pragmatic, evolving movement.<sup>79</sup> They note that Hamas has already moderated its positions by participating in 2006 elections for the Palestinian Legislative Council (a body created by the Oslo Accords, which the group has long rejected), by agreeing to a June 2008 cease-fire with Israel through indirect negotiation, and by expressing willingness to enter into a long-term cease-fire (or *hudna*) with Israel. Also, these observers say, Hamas signed the Mecca Accord in February 2007, pursuant to which it agreed to share power with Fatah, to “respect” previous agreements signed by the PLO, and to allow the PLO to negotiate with Israel and submit any agreement reached to the Palestinian people for their approval. Finally, these observers seek to liken Hamas to the PLO from earlier times. The PLO, also once a terrorist

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<sup>76</sup> Transcript of remarks by Khaled Meshaal, *Al Jazeera TV*, December 15, 2009, Open Source Document GMP20091215648001 (translated from Arabic).

<sup>77</sup> Anna Fitfield, “Hizbollah Confirms Broad Aid for Hamas,” *Financial Times*, May 12, 2009.

<sup>78</sup> In testimony before the House Appropriations Subcommittee on State, Foreign Operations and Related Programs, Secretary Clinton said, “In fact, we think there is [sic] some divisions between the Hamas leadership in Gaza and in Damascus. There’s no doubt that those in Damascus take orders directly from Tehran.” Transcript of Subcommittee hearing: “Supplemental Request,” April 23, 2009.

<sup>79</sup> See Michael Bröning, “Hamas 2.0,” *foreignaffairs.com*, August 5, 2009.

group, altered some of its tenets in the late 1980s and early 1990s—agreeing to condemn terrorism, to recognize Israel’s right to exist, and to negotiate for a two-state solution.<sup>80</sup>

Others claim that a conciliatory tone that some detect from Hamas, particularly since Barack Obama became President, may be due to the movement’s calculation that cultivating an image of reasonableness presently serves its interests in light of (1) the diplomatic climate following President Obama’s inauguration, (2) Israeli deterrence of Hamas-generated violence in the aftermath of the Gaza conflict, and/or (3) geopolitical changes affecting Hamas’s principal benefactors in the region—Syria, Hezbollah, and Iran.<sup>81</sup>

Those who are more skeptical of Hamas’s intentions have countered that nothing of substance has changed in Hamas’s positions, and that any reasonable-sounding statements are best explained as a ploy to give the impression of moderation. They cite Hamas’s continued efforts to build up its military capabilities and to plan attacks on Israelis, along with the reported rise in prominence of extremists (relative to other Hamas members) within the group’s governing *shura* (or “consultative”) councils, as evidence to support their claims.<sup>82</sup> These skeptics assert that “implicit recognition” of Israel is no recognition at all, and that a long-term cease-fire would simply allow Hamas to consolidate its position and await a more propitious moment to mount an assault on Israel.

## **Hamas Rule in Gaza**

### **Means of Control**

One year following the December 2008-January 2009 Gaza conflict, Hamas remains firmly in control of the Gaza Strip, even though the people of Gaza rely on Israel, Egypt, the PA in the West Bank, UNRWA, and other international and non-governmental organizations for access to and resources from the outside world (including water and fuel for electricity). Hamas is able to finance its governance of Gaza and its independent activities through contributions from Iran (some reports say between \$20-30 million annually)<sup>83</sup> and from private individuals and organizations from the Palestinian diaspora and greater Arab and Muslim worlds (particularly in

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<sup>80</sup> However, in a February 2009 congressional hearing, Carnegie Endowment for International Peace analyst Michele Dunne explained why the PLO analogy might have limited applicability to Hamas: “Regarding Hamas, I think that our problem as the United States is we want Hamas to walk the road that the PLO walked 20 years ago. And Hamas sees very well that the PLO walked that road, and it failed.” See Transcript of Hearing, “Gaza After the War: What Can Be Built on the Wreckage,” House Foreign Affairs Subcommittee on the Middle East and South Asia, February 12, 2009, available at <http://foreignaffairs.house.gov/111/47420.pdf>.

<sup>81</sup> Some speculate that Syria may be encouraging Hamas, to whose exiled leadership it provides safe haven, to at least appear more reasonable while Syria pursues a possible improvement in ties with the United States. Elections in Lebanon and Iran in June may have—for the time being—turned the primary focus of both Hezbollah and the Iranian regime to jockeying for power internally. Hezbollah’s coalition performed worse than expected in Lebanese national elections, leading to uncertainty over its influence in the new government, and Iran has experienced turmoil over allegations of fraud in its presidential elections and the repression of dissent by the regime and its allies in the election’s aftermath.

<sup>82</sup> See Matthew Levitt, “Score One for ‘Hamaswood,’” Middle East Strategy at Harvard, August 11, 2009, available at <http://blogs.law.harvard.edu/mesh/2009/08/score-one-for-hamaswood/>.

<sup>83</sup> See Council on Foreign Relations Backgrounder, “Hamas,” available at <http://www.cfr.org/publication/8968/#p8>; Matthew Levitt, “The Real Connection Between Iran and Hamas,” *Counterterrorism Blog*, available at [http://counterterrorismblog.org/2009/01/the\\_real\\_connection\\_between\\_ir.php](http://counterterrorismblog.org/2009/01/the_real_connection_between_ir.php).



Saudi Arabia and other Gulf states).<sup>84</sup> Contributions are often made through Hamas's affiliated network of charitable organizations, including some that have operated and may still operate in the United States, Canada, and Europe.<sup>85</sup> Hamas also receives revenue from licensing fees and taxes, most of which are related to Gaza's smuggling-tunnel-fueled economy.

Hamas directs the government's activities and security forces through a self-appointed cabinet of Hamas ministers led by Ismail Haniyeh, who served as PA prime minister prior to Hamas's dismissal from government after the June 2007 Gaza takeover. The process by which decisions are taken is opaque, but analysts believe that parties involved include the movement-wide and Gaza regional *shura* councils, the Damascus politburo, and Qassam Brigades leadership.<sup>86</sup>

Reference to the government in Gaza as the "Hamas regime" does not mean that all or even most of the people employed in ministries, security forces, and civil service positions are necessarily members of Hamas or even Hamas sympathizers. Hamas partisans are, however, intermingled throughout. Consequently, distinguishing the "Hamas" component of security forces and government agencies from the "ordinary citizen" component can be exceedingly difficult. Hamas may intentionally foster this ambiguity to keep its opponents—both internal and external—off guard and conflicted over the means by which its rule in Gaza might be confronted or opposed. Israel faced this challenge during Operation Cast Lead, such as when it chose a Gaza police graduation ceremony as its initial air strike target, killing Hamas and non-Hamas policemen alike. The PA also faces this challenge in deciding whether to continue paying the salaries of nearly 80,000 public sector employees in Gaza (it has continued to pay them thus far).<sup>87</sup>

Since Hamas took power in 2007, the State Department reports that it has maintained at least four separate security forces to patrol Gaza.<sup>88</sup> From the "Executive Force" (*tanfithya*) of Hamas loyalists formed in Gaza after Hamas's legislative electoral victory in 2006, many personnel were integrated into existing PA security organizations<sup>89</sup>—(1) internal intelligence, (2) civil police, (3) coastal patrol, and (4) border guard—that include Gazans of varying backgrounds and political loyalties. The degree to which these security forces (which number approximately 15,000) act in concert with the Qassam Brigades (which number approximately 2,000) is unclear. Between them, they suffered only a few hundred casualties during the 2008-2009 Gaza conflict.<sup>90</sup> Although

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<sup>84</sup> See Don Van Natta, Jr., with Timothy L. O'Brien, "Flow of Saudi Cash to Hamas Is Under Scrutiny by U.S.," *New York Times*, September 17, 2003.

<sup>85</sup> The most illustrative case is that of the Texas-based Holy Land Foundation for Relief and Development (HLF), once the largest Islamic charity in the United States. After U.S. investigators determined that HLF was funneling money to Hamas and had close ties with Hamas leader Musa Abu Marzouk during his time living in the United States in the 1990s, the Treasury Department designated HLF as a Specially Designated Terrorist Organization in 2001 and froze its assets. In 2008, five of HLF's leaders were found guilty of criminal charges of providing more than \$12 million to an FTO.

<sup>86</sup> In a conversation with CRS in August 2009, an Israeli official claimed that the Damascus politburo, headed by Khaled Meshaal, exercises more strategic control over Hamas's activities than Hamas's other leadership organs because (the Israeli official claimed) the politburo is responsible for arranging the transport of cash, weapons, and other supplies to the Gaza Strip.

<sup>87</sup> See International Crisis Group, op. cit.

<sup>88</sup> State Department Country Reports on Terrorism 2008, Middle East and North Africa Overview, available at <http://www.state.gov/s/ct/rls/crt/2008/122433.htm>.

<sup>89</sup> See Beverley Milton-Edwards, "Order Without Law? An Anatomy of Hamas Security: The Executive Force (Tanfithya)," *International Peacekeeping*, November 2008, available at <http://dx.doi.org/10.1080/13533310802396236>.

<sup>90</sup> Yoram Cohen and Jeffrey White, "Hamas in Combat: The Military Performance of the Palestinian Islamic Resistance Movement," Washington Institute for Near East Policy PolicyFocus #97, October 2009, available at (continued...)

much international attention has focused on the improved professionalization of PA security forces in the West Bank, analysts say that Hamas-led security forces in Gaza also exhibit impressive levels of discipline and efficiency that have succeeded in keeping order. There are, however, widespread reports of mistreatment and torture of Hamas political opponents (particularly Fatah members) and other prisoners.

The Qassam Brigades and militias directed by Palestinian Islamic Jihad, Al Aqsa Martyrs' Brigades, the Popular Front for the Liberation of Palestine, the Popular Resistance Committees, and Salafist fundamentalist groups such as Army of Islam and the Jaljalat continue to operate in Gaza. On balance, Hamas appears to have calculated that their existence helps rather than hinders its position. On one hand, Hamas's ability to rein in the militias shows Israel and the international community that it can deliver on cease-fires and other informal or formal security arrangements. On the other hand, the possibility that Hamas could collaborate with, unleash, or even lose control over the militias could dissuade Israel from threatening Hamas too gravely and perhaps even create a stake for Israel and other international actors in stabilizing Hamas rule in Gaza and strengthening it relative to more extreme or less predictable forces. Some observers, however, believe that the threats posed by non-Hamas militias are overstated, and that any leverage Hamas has with Israel comes from its own militia. Since the end of the Gaza conflict in January 2009, Hamas has mostly refrained from rocket attacks, and other Palestinian militants have fired rockets and mortars on a "much smaller scale than before,"<sup>91</sup> causing few injuries and no deaths. Israeli forces have made periodic incursions and strikes against militants launching rockets or undermining border security.

## **Influence Over Society: Congress and Al Aqsa Television**

By reshaping PA institutions, laws, and norms to fit its ends—instead of fully overhauling them—and by retaining the welcome in Gaza for UNRWA and the international community, Hamas has opted—for the time being—for stability over a comprehensive societal transformation. Hamas interior minister Fathi Hamad has insisted:

Claims that we are trying to establish an Islamic state are false. Hamas is not the Taliban. It is not al-Qaeda. It is an enlightened, moderate Islamic movement.<sup>92</sup>

Some ideologues who believed that Hamas would or should have implemented *sharia* law and formally and fully Islamized public and private life soon after taking power have been disappointed. Along with the perception that Hamas's periodic willingness to halt violence and to negotiate does not comport with its self-proclaimed stance of unrelenting resistance against Israel, this disappointment has resulted in some Islamists joining more fundamentalist groups, though it does not appear to present a near-term challenge to Hamas's rule and it is unclear how pronounced or significant this trend will be long term.

Yet, there has been some movement toward a greater Islamization of society through the broader Hamas community network of mosques, government ministries and courts, security forces, religious scholars, and schools. Islamic *fatwas* (legal opinions) have been offered as an alternative

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(...continued)

<http://www.washingtoninstitute.org/pubPDFs/PolicyFocus97.pdf>.

<sup>91</sup> "Hamas: All Gaza militant groups agree to halt rocket attacks," *haaretz.com*, December 8, 2009.

<sup>92</sup> Pelham and Rodenbeck, op. cit.

to secular justice for some police detainees. “Morality police,” judges, and school principals advocate for and enforce Islamic dress codes—especially for women—in publicly conspicuous places, although resistance to these measures has slowed or reversed their implementation in some instances.<sup>93</sup>

Hamas has used its control over Gaza’s media to cast Islamist, anti-Israel, and anti-Semitic teachings within a narrative portraying “martyrdom” and violence against Israel and Jews as heroic. Public dissent is suppressed, and Hamas uses its Al Aqsa television channel and summer camps to indoctrinate children and youth with its hybrid Islamist/Palestinian nationalist views. In 2009, Hamas even produced its first feature-length film celebrating the life and death of a Qassam Brigades militant from the first intifada.<sup>94</sup>

The 111<sup>th</sup> Congress is considering legislation to counter Hamas incitement. H.R. 2278, which passed the House of Representatives on December 8, 2009 (by a vote of 395-3) and has been referred to the Senate Foreign Relations Committee, would seek to make it U.S. policy to urge all parties with influence over satellite transmissions to quell broadcasts of Al Aqsa TV and similar channels (including Hezbollah’s Al Manar TV, which is also popular in the West Bank and the Gaza Strip—for additional information, see CRS Report R40054, *Lebanon: Background and U.S. Relations*, by Casey L. Addis) and to consider implementing punitive measures against satellite providers that do not quell such broadcasts. H.R. 2278 also would require an annual presidential report to Congress on “anti-American incitement to violence” that would include a country-by-country breakdown of (1) all media outlets that engage in such incitement and (2) all satellite providers that carry programming classified as such incitement.<sup>95</sup> Thus far, congressional deliberation has had little or no effect on the availability of Al Aqsa and similar channels to viewers in the region.

Although Hamas’s rule in Gaza is clearly authoritarian, some believe that the future possibility of elections makes it responsive to public opinion. Declining support for Hamas in polls following the Gaza conflict has led some to conclude that the population holds Hamas at least partly culpable for the casualties and destruction they suffered.

Nevertheless, many believe that Hamas rule remains stable and effective in some areas despite the miserable post-conflict situation and Gaza’s dilapidated infrastructure. Some see the beginnings of a patronage system materializing, citing, among other evidence, the \$60 million in handouts Hamas is reported to have distributed in \$1,500-6,000 increments to families whose homes were lost or damaged in the conflict.<sup>96</sup>

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<sup>93</sup> Ibid.

<sup>94</sup> Levitt, “Hamas’s Ideological Crisis,” op. cit.

<sup>95</sup> It is unclear whether the executive branch would consider such legislation binding on its formulation of U.S. policy. On September 9, 2008 (during the 110<sup>th</sup> Congress), the House of Representatives passed H.Res. 1069 (by a 409-1 vote), which condemned Hamas’s Al Aqsa TV (among other Middle East TV channels, including Al Manar) for anti-Israel, anti-Semitic, and anti-U.S. incitement and called upon satellite TV providers Arabsat (Arab League-owned, Saudi-based) and Eutelsat (privately-owned, France-based) to cease transmitting Al Aqsa programming.

<sup>96</sup> “Country Report: Palestinian Territories,” *Economist Intelligence Unit*, October 2009. Yet, some observers note that Hamas leaders have mostly avoided the type of conspicuous consumption in which many Fatah leaders have engaged since the 1990s, and which feeds widespread perceptions of corruption.



## Smuggling Tunnels<sup>97</sup>

Since Israel's disengagement from Gaza in 2005, the network of smuggling tunnels connecting Gaza with Egypt's Sinai Peninsula has expanded dramatically with Hamas's encouragement. Under the closure regime aimed at undermining Hamas's control over the territory, the tunneling network has become Gaza's primary economic engine and mode of rearmament for militants. Israeli officials estimate that 7,000 people work on the tunnels, which number over 500. The tunnels are reportedly of a generally high quality of engineering and construction—with some including electricity, ventilation, intercoms, and a rail system. The openings to many tunnels are found within buildings in or around Gaza's southernmost city of Rafah. Although over 100 tunnels were rendered inoperative by Israeli airstrikes during Operation Cast Lead, many of the damaged tunnels were restored within a few weeks because the main damage was sustained at the openings, not in the middle sections.

In addition to cash and all types of marketable goods (from foodstuffs to automobiles), since the end of the conflict in February 2009 the tunnels have reportedly transported hundreds of Grad-style rockets into Gaza, along with raw materials (fertilizer, chemicals, TNT) for constructing shorter-range Qassam rockets and other explosive devices. In addition, militants have reportedly received thousands of mortars, several anti-aircraft and anti-tank weapons, and small arms through the tunnels. Although Israel, Egypt, the United States, and other NATO countries have pledged to stop or slow smuggling to Gaza by land and sea, and some measures have been taken, anti-smuggling capabilities remain limited and/or constrained.<sup>98</sup>

## Key Hamas Leaders

### Khaled Meshaal

Khaled Meshaal, based in Damascus, is the chief of Hamas's politburo.

Born in 1956 near Ramallah, Meshaal (alternate spellings: Mish'al, Mashal) moved to Jordan in 1967. As a student and schoolteacher in Kuwait, he became a leader in the Palestinian Islamist movement. After the founding of Hamas in 1987, Meshaal led the Kuwaiti branch of the organization, then moved to Jordan in 1991 after Iraq's invasion of Kuwait.

In September 1997, Meshaal was targeted in Amman by the Mossad (Israel's foreign intelligence service) in an assassination attempt that became a major international incident—culminating in King Hussein of Jordan threatening to abrogate the 1994 Israel-Jordan peace treaty in order to get Benjamin Netanyahu (in his first stint as Israeli prime minister) to supply an antidote to the nerve toxin to which Meshaal had been exposed.<sup>99</sup> After the Hamas leadership was expelled from Jordan in August 1999, Meshaal first moved to Doha, Qatar, then settled two years later in Damascus, Syria. He became Hamas's overall leader in 2004, following the assassination of

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<sup>97</sup> Much of the information from this subsection came from a CRS meeting with an Israeli official in August 2009. For a description of past smuggling activities related to Gaza, see CRS Report R40849, *Iran: Regional Perspectives and U.S. Policy*, coordinated by Casey L. Addis.

<sup>98</sup> See CRS Report RL33003, *Egypt: Background and U.S. Relations*, by Jeremy M. Sharp; and CRS Report RL34346, *The Egypt-Gaza Border and its Effect on Israeli-Egyptian Relations*, by Jeremy M. Sharp.

<sup>99</sup> For a detailed account of the failed assassination attempt and Meshaal's rise to power within Hamas, see McGeough, *op. cit.*

Abdel Aziz al Rantissi by Israel. Meshaal serves as Hamas's top diplomat, traveling and meeting with various governments and political leaders (including his political rival Mahmoud Abbas, Iran, Arab countries, Russia, European legislators, and former U.S. President Jimmy Carter). He has repeatedly indicated that Hamas would accept a two-state solution if ratified by the Palestinian people in a referendum. Nevertheless, he insists that Hamas will not formally recognize Israel and will not disarm.

## **Ismail Haniyeh**

Ismail Haniyeh is Hamas's "prime minister" in Gaza.

Haniyeh was born in or around 1955 in the Shati refugee camp in the Gaza Strip. In 1989, he was imprisoned for three years by Israeli authorities for participation in the first intifada. Following his release in 1992, he was deported to Lebanon along with approximately 400 other Hamas activists, but was eventually allowed to return to Gaza in 1993.<sup>100</sup> Upon his return, he was appointed dean of the Islamic University, and became the leader of Hamas's student movement. He was closely associated with Hamas co-founder and spiritual leader Sheikh Ahmed Yassin, and, following the assassination of Yassin and much of the Hamas leadership in 2004, became a prominent Hamas leader in Gaza.

Haniyeh was one of the main people responsible for Hamas's decision to participate in the 2006 PLC elections, and headed the Hamas list. Following Hamas's victory, he served as PA prime minister from March 2006 until June 2007. Following Hamas's takeover of Gaza and its dismissal from the PA government in the West Bank, Hamas has continued to insist that Haniyeh is the PA prime minister, and he is treated as such in Gaza. Some observers believe that Haniyeh is more responsive to political realities than Hamas's leadership-in-exile, and use this rationale to argue that Haniyeh and/or other Gaza-based Hamas leaders might be persuaded to moderate their goals and tactics, even though he continues to advocate violent resistance against Israel. In Palestinian opinion polls for hypothetical presidential elections, Haniyeh consistently runs close to Mahmoud Abbas in head-to-head pairings.

## **Other Key Hamas Leaders**

*Musa Abu Marzouk* (born in 1951 in the Rafah refugee camp in Gaza, now based in Damascus), *Mahmoud al Zahar* (a medical doctor born in 1945 and based in Gaza—he served as foreign minister from 2006-2007 in the Hamas-led PA government), and *Osama Hamdan* (born in 1965 in the Bureij refugee camp in Gaza, now based in Beirut after having spent four years during the 1990s based in Iran) are other key members of the Hamas politburo.

*Ahmed Jabari* is thought to be the Gaza-based commander of the Izz Al Din al Qassam Brigades, Hamas's military wing. *Muhammad Deif*, Jaabri's predecessor, has kept a low profile in recent years, possibly as the result of injury from a 2006 Israeli airstrike.<sup>101</sup>

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<sup>100</sup> See footnote 71.

<sup>101</sup> Yaakov Katz, "Meet the Hamas military leadership," *jpost.com*, December 22, 2008.

## Other Rejectionist/Terrorist Groups

Several other small Palestinian groups continue to reject the PLO's decision to recognize Israel's right to exist and to negotiate a two-state solution. They remain active in the territories and retain some ability to carry out terrorist attacks and other forms of violence to undermine efforts at cooperation and conciliation.

The largest of these is the Palestinian Islamic Jihad (PIJ), a designated Foreign Terrorist Organization that, like Hamas, is an offshoot of the Muslim Brotherhood. The PIJ, estimated at a few hundred members, emerged in the 1980s in the Gaza Strip as a rival to Hamas. Inspired by the Iranian revolution, it combined Palestinian nationalism, Sunni Islamic fundamentalism, and Shiite revolutionary thought. The PIJ seeks liberation of all of historic Palestine through armed revolt and the establishment of an Islamic state, but unlike Hamas has not established a social services network, formed a political movement, or participated in elections. Mainly for these reasons, PIJ has never approached the same level of support among Palestinians as Hamas. PIJ headquarters, like those of Hamas, are in Damascus. Iran, however, is the PIJ's chief sponsor. Its secretary-general since 1995 has been Ramadan Abdullah Muhammad Shallah. Since 2000, the PIJ has conducted hundreds of attacks against Israeli targets (including over 30 suicide bombings), killing scores of Israelis.

Another—though smaller—Damascus-based, Iran-sponsored militant group designated as an FTO is the Popular Front for the Liberation of Palestine-General Command (PFLP-GC). PFLP-GC is a splinter group from the PFLP and has a following among Palestinian refugees in Lebanon and Syria. PFLP-GC's founder and secretary-general is Ahmed Jibril.<sup>102</sup>

The Popular Resistance Committees (PRC) is a loose alliance of armed dissidents and militants that first appeared in the Gaza Strip in 2000. Its founder, Jamal Abu Samhadana, a former member of Fatah, was killed in an Israeli air strike in June 2006. The membership of the PRC encompasses both the secular and Islamic fundamentalist Palestinian movements, including Fatah, Hamas, and the Popular Front for the Liberation of Palestine. Ex-members of the PA's Preventive Security Organization also are reported to be active in the PRC. The group also was implicated in the October 15, 2003 attack that killed three U.S. diplomatic security personnel in the Gaza Strip.<sup>103</sup> The attack, a roadside bomb that destroyed the van in which the men were traveling, was claimed and then later denied by the PRC. In part to avenge the death of their leader Samhadana, in June 2006 the PRC (along with Hamas and a splinter group calling itself the Army of Islam) launched the raid on an Israeli army post near the Gaza Strip that captured Israeli soldier Gilad Shalit (who remains in Hamas's custody and is the subject of ongoing German-mediated indirect Israel-Hamas prisoner swap negotiations) and killed two of Shalit's comrades.

A number of small but potentially growing Salafist fundamentalist militant groups with an affinity for Al Qaeda-style ideology and tactics are based in the Gaza Strip.<sup>104</sup> These include the

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<sup>102</sup> Jibril was included, along with Khaled Meshaal of Hamas and Ramadan Shallah of PIJ, in the January 2009 emergency meeting of Arab states (excluding Egypt, Saudi Arabia, Jordan, Kuwait, Bahrain, Morocco, or Tunisia) in Qatar that was convened to address the ongoing Gaza conflict. The meeting also included Iranian president Mahmoud Ahmadinejad.

<sup>103</sup> See Conal Urquhart, Chris McGreal, and Suzanne Goldenberg, "Palestinians bomb US convoy," *Guardian* (UK), October 16, 2003.

<sup>104</sup> See Yoram Cohen, "Jihadist Groups in Gaza: A Developing Threat," Washington Institute for Near East Policy (continued...)

Army of Islam and the Jaljalat, a group that reportedly includes several former Hamas Qassam Brigades commanders who became disaffected with Hamas's 2008 cease-fire with Israel and with other actions they perceived as having moderated Hamas's stance. These groups do not threaten Hamas's current rule in Gaza, which has been made clear by the swift and brutal retributive action taken by Hamas—against the Army of Islam in September 2008 and against the Jaljalat-affiliated group Jund Ansar Allah in August 2009—at any sign of a public challenge.<sup>105</sup> Yet, some analysts believe that these groups could pose a long-term challenge to Hamas if they attract enough influential adherents or support from organizations or countries outside Gaza.

## **Palestinian Refugees**

Of the some 700,000 Palestinians displaced during the 1948 Arab-Israeli war, about one third ended up in the West Bank, one third in the Gaza Strip, and one third in neighboring Arab countries. They and their descendants now number over 4.6 million, with roughly one third living in refugee camps in the West Bank, Gaza, Jordan, Lebanon, and Syria. Jordan offered Palestinian refugees citizenship, but the remainder in the region are stateless and therefore limited in their ability to travel. Refugees receive little or no assistance from Arab host governments and many (including those who do not live in camps) remain reliant on the U.N. Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) for food, health care, and/or education. For political and economic reasons, Arab host governments generally have not actively supported the assimilation of Palestinian refugees into their societies. Even if able to assimilate, many Palestinian refugees hold out hope of returning to the homes they or their ancestors left behind or possibly to a future Palestinian state. According to many observers, it is difficult to overstate the deep sense of dispossession and betrayal refugees feel over never having been allowed to return to their homes, land, and property. Some Palestinian factions have organized followings among refugee populations, and militias have proliferated in some refugee areas outside of the Palestinian territories, particularly in Lebanon.<sup>106</sup> Thus, the refugees exert significant pressure on both their host governments and the Palestinian leadership in the territories to seek a solution to their claims as part of any final status deal with Israel.

## **U.N. Relief and Works Agency for Palestine Refugees in the Near East (UNRWA)**

### **Profile**

In 1949, to ease the plight of Palestinian refugees resulting from the 1948 Arab-Israeli war, the U.N. General Assembly set up the U.N. Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) to shelter, feed, and clothe the refugees. Although seen at the time as a

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PolicyWatch #1449, January 5, 2009, available at <http://www.washingtoninstitute.org/templateC05.php?CID=2981>.

<sup>105</sup> See Nicolas Pelham and Max Rodenbeck, "Which Way for Hamas?" *New York Review of Books*, Vol. 56, No. 17, November 5, 2009.

<sup>106</sup> A case in point is the small Palestinian-associated Islamist fundamentalist militant group known as Fatah al Islam. In 2007, Fatah al Islam was battled and eventually defeated by Lebanese security forces in and around Tripoli and the Nahr al Bared refugee camp. Numbering between 100 and 300, this group was variously described by some as being mainly Palestinian, by others as more pan-Arab, and as having ties to Al Qaeda or to Syrian intelligence.

temporary measure, the General Assembly has repeatedly renewed UNRWA's mandate—which currently runs through June 30, 2011—in the absence of a comprehensive resolution of the Palestinian refugee problem. Over time, its operations have evolved to meet changing needs and circumstances. UNRWA now provides both basic humanitarian relief and human development services, including education, vocational training, and micro-credit loans. UNRWA defines those eligible for its services as “anyone whose normal place of residence was in Mandate Palestine during the period from 1 June 1946 to 15 May 1948 and who lost both home and means of livelihood as a result of the 1948 Arab-Israeli war.” The descendants of the original refugees also are eligible to register. As of 2009, UNRWA has registered 4.6 million Palestine refugees living in the West Bank and Gaza Strip, Jordan, Lebanon, and Syria.

For additional information on UNRWA (including historical U.S. contributions), see CRS Report RS22967, *U.S. Foreign Aid to the Palestinians*, by Jim Zanotti; and CRS Report RS21668, *United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA)*, by Rhoda Margesson.

## **Congressional Concerns**

The primary concern raised by some Members of Congress is that U.S. contributions to UNRWA might be used to support terrorists. Section 301(c) of the 1961 Foreign Assistance Act (P.L. 87-195), as amended, says that “No contributions by the United States shall be made to [UNRWA] except on the condition that [UNRWA] take[s] all possible measures to assure that no part of the United States contribution shall be used to furnish assistance to any refugee who is receiving military training as a member of the so-called Palestine Liberation Army or any other guerrilla type organization or who has engaged in any act of terrorism.” A May 2009 Government Accountability Office (GAO) report addressed these concerns.<sup>107</sup>

Some in Congress have questioned whether UNRWA refugee rolls are inflated. There is also concern that no effort has been made to settle the refugees permanently or extend the United Nations High Commissioner for Refugees (UNHCR) mandate to include Palestinian refugees. UNRWA's defenders point out that UNRWA periodically updates the rolls to try to eliminate duplication and that its mandate covers relief and social services, but not resettlement. (However, the State Department announced in 2009 that approximately 1,350 Palestinian refugees from Iraq—within the territorial mandate of UNHCR, not UNRWA—are planned to be resettled in the United States.)<sup>108</sup> At present, many observers consider UNRWA a unique organization that is better left in place until a way forward on the peace process can be found.

For many years, Congress has raised concerns about how to ensure that UNRWA funds are used for the programs it supports and not for terrorist activities or corrupt purposes. Some in Congress have been concerned that refugee camps have been used as military training grounds.<sup>109</sup> The camps are not controlled or policed by UNRWA, but by the host countries or governing authorities.<sup>110</sup> Concerns also have been expressed about the content of textbooks and educational

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<sup>107</sup> See Government Accountability Office, *Measures to Prevent Inadvertent Payments to Terrorists Under Palestinian Aid Programs Have Been Strengthened, but Some Weaknesses Remain*, GAO-09-622, May 2009, available at <http://www.gao.gov/new.items/d09622.pdf>.

<sup>108</sup> See CRS Report RS22967, *U.S. Foreign Aid to the Palestinians*, by Jim Zanotti.

<sup>109</sup> See footnote 106.

<sup>110</sup> UNRWA's responsibilities are limited to providing its services to refugees and administering its own installations. (continued...)

materials used by UNRWA, with claims that they promote anti-Semitism and exacerbate tensions between Israelis and Palestinians. UNRWA responds that the host country, not UNRWA, provides the textbooks and determines their content because students must take exams in host country degree programs.

## Economic Issues and Trends

### General Profile

The combination of 40 years of Israeli occupation, international involvement, political turmoil, and corruption in the West Bank and Gaza Strip have produced a distorted economy that is highly dependent on foreign assistance. The Palestinian public sector is bloated, with past patronage and cronyism contributing to an expanded PA payroll. The private sector is dominated by services and small family-owned businesses.

According to the World Bank, Palestinian per capita GDP in the West Bank and Gaza is significantly lower than it was during the years immediately prior to the second intifada.<sup>111</sup> Lacking a self-sufficient private sector, Palestinians have historically depended on easy entry into and exit out of Israel for their workers and goods. Following the outbreak of the second intifada, Israel began construction of the West Bank separation barrier, increased security at crossing points, issued permits to control access, and, in many cases, halted the flow of people and goods altogether.<sup>112</sup>

For most of the time since Hamas's forcible takeover of the Gaza Strip in June 2007,<sup>113</sup> most of Gaza's border crossings—including the Rafah border crossing with Egypt—have been closed to everything but a minimum of goods deemed necessary to meet basic humanitarian needs. In this environment, the formal Gazan economy has been brought to a virtual standstill, and illicit smuggling from tunnels between Gaza and Egypt's Sinai Peninsula has thrived. The Palestinian Federation of Industries estimated in September 2008 that 98% of Gaza's industrial operations are inactive.<sup>114</sup> Up to 90% of Gazans are reportedly living below the poverty line,<sup>115</sup> and 75% are "food insecure" (see **Table 2** above for related statistics).<sup>116</sup> Conditions worsened as a result of

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See UNRWA website at <http://www.un.org/unrwa/refugees/wheredo.html>.

<sup>111</sup> Per capita GDP (calculated at real value to take inflation into account, but not adjusted for purchasing power parity) has gone from between \$1,200 and \$1,500 in 1997-2000 to just over \$1,000 at the end of 2008. The World Bank, *Palestinian Economic Prospects: Gaza Recovery and West Bank Revival—Economic Monitoring Report to the Ad Hoc Liaison Committee*, June 8, 2009, available at <http://siteresources.worldbank.org/INTWESTBANKGAZA/Resources/AHLCJune09Reportfinal.pdf>.

<sup>112</sup> The *Economist Intelligence Unit* reports that the separation barrier has harmed the West Bank economy by affecting access to 10.2% of all cultivated land in the territory. "Country Report: Palestinian Territories," *Economist Intelligence Unit*, October 2009.

<sup>113</sup> See footnote 20.

<sup>114</sup> The World Bank, *Palestinian Economic Prospects: Aid, Access and Reform—Economic Monitoring Report to the Ad Hoc Liaison Committee*, September 22, 2008, available at <http://siteresources.worldbank.org/INTWESTBANKGAZA/Resources/AHLCSept15,08.pdf>.

<sup>115</sup> Pelham and Rodenbeck, op. cit.

<sup>116</sup> U.N. Office for the Coordination of Humanitarian Affairs (occupied Palestinian territory), *Locked In: The Humanitarian Impact of Two Years of Blockade on the Gaza Strip*, August 2009, available at <http://www.ochaopt.org/> (continued...)



the significant destruction to infrastructure and neighborhoods during the 2008-2009 Israel-Hamas conflict, and the closure regime has prevented any significant program of reconstruction.<sup>117</sup>

Although in 2009 Israel significantly reduced post-second intifada obstacles to Palestinian movement within the West Bank, many obstacles remain, and controls on movement between Israel and the West Bank remain largely unchanged (other than a relaxation on weekend access by Arab Israelis to northern West Bank cities). Goods imported to or exported from the West Bank (including those coming from Jordan via the Allenby Bridge) are subjected by Israel to a costly and time-consuming “back-to-back” trucking process, in which goods are unloaded from one truck on one side of the border crossing, scanned for security purposes, and taken over the border crossing to be loaded into a second truck for final transport. There is no indication of plans to halt or modify this process in the near future, other than to make it more efficient.

The alternatives for the Palestinians to economic interdependence with Israel would likely be: (1) to attract investment and build a self-sufficient economy, which is probably years if not decades away; (2) to look to neighboring Egypt and Jordan (which struggle with their own economic problems) for economic integration; (3) or to depend indefinitely upon external assistance. To attract enough long-term investment to become self-sufficient, most observers agree that uncertainties regarding the political and security situation and Israeli movement restrictions would need to be significantly reduced or eliminated.

## **West Bank Economic Development**

PA Prime Minister Salam Fayyad and former British prime minister Tony Blair, who is the representative of the international Quartet (the United States, the United Nations, the European Union, and Russia), have encouraged a number of investment conferences and initiatives in support of Fayyad’s 2008-2010 Palestinian Reform and Development Plan. Several high-profile projects—housing developments, industrial parks, superstores, entertainment complexes—have been completed or are in various stages of proposal or construction in and around Ramallah, Bethlehem, Jericho and the northern West Bank in an effort to jumpstart private sector development.<sup>118</sup> Yet, most analysts advise against drawing the conclusion that the overall economy has turned a corner. In an October 2009 *Washington Post* interview, Fayyad acknowledged that the West Bank economy was growing at a rate of 8%, if not even more, but questioned whether this growth was sustainable.<sup>119</sup> He advocates political progress with Israel and

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documents/Ocha\_opt\_Gaza\_impact\_of\_two\_years\_of\_blockade\_August\_2009\_english.pdf.

<sup>117</sup> See Martha Myers, “Negative Impact of Policy on the Delivery of Humanitarian Assistance in the Gaza Strip,” *Middle East Policy*, Summer 2009.

<sup>118</sup> Some of these ventures have been supported by U.S. organizations—including the Overseas Private Investment Corporation (OPIC), the Aspen Institute, the Center for American Progress, and CHF International—affiliated or involved with a public-private partnership known as the Middle East Investment Initiative. See <http://meiinitiative.org>.

<sup>119</sup> Weymouth, op. cit. Many Israelis emphasize an International Monetary Fund projection of 7% growth for the West Bank in 2009 and the loosening of some Israel Defense Forces obstacles to Palestinian movement. Nonetheless, some Palestinians and international analysts assert that actual and prospective economic development should not be overstated because the Palestinian economy continues to be propped up by external aid, and uncertainty remains regarding movement and access and regarding progress in negotiations with Israel. See The World Bank, *Palestinian Economic Prospects: Aid, Access and Reform*, op. cit.; Zahi Khouri, “The West Bank’s Deceptive Growth,” *New York Times*, September 8, 2009.

the simultaneous pursuit of a “critical mass” of major infrastructure and private investment projects throughout the West Bank. Fayyad’s and Blair’s open campaigning to build Palestinian buildings and infrastructure in so-called “Area C” (see **Figure 2** above for map),<sup>120</sup> which falls under full Israeli administrative and security control, has been coolly received by Israeli officials and analysts, some of whom deem Palestinian construction in Area C a security threat.

The November 2009 launch of Wataniya Mobile, the Palestinian territories’ second mobile phone service provider,<sup>121</sup> presented grounds both for optimism and for skepticism regarding the West Bank’s near-term economic prospects. On one hand, Wataniya’s introduction into the market is expected to provide 2,750 jobs, \$354 million in licensing fees to the cash-strapped PA, and increased options to consumers. On the other hand, Wataniya’s protracted and ultimately only partially successful struggle to obtain its desired communications frequencies from the Israeli government raises questions—not only specific doubts about Wataniya’s potential to transform the economy, but also general concerns over whether Israel’s professed desire to aid Palestinian economic development is a genuine priority. Wataniya, expecting 4.8 MHz (the frequency held by Kuwaiti-owned competitor Jawwal/Paltel) under a 2008 agreement with Israel and the PA, had to settle for 3.8 MHz—and thus can only serve 250,000 customers instead of 1 million.<sup>122</sup> Israel claims that it will provide the remaining bandwidth at a later date, but the reasons behind the delay are unclear.<sup>123</sup>

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<sup>120</sup> See Israeli-Palestinian Interim Agreement on the West Bank and the Gaza Strip, dated September 28, 1995, available at <http://www.jewishvirtuallibrary.org/jsource/Peace/interim.html>.

<sup>121</sup> Wataniya is a 57-43 joint venture between Qatari-owned QTel and the Palestine Investment Fund. Its investment in the Palestinian market is reportedly backed by \$16 million in loan guarantees from the U.S. Overseas Private Investment Corporation (OPIC). See Charles Levinson, “Mobile Venture Lifts Hope in West Bank,” *Wall Street Journal*, November 11, 2009. The Palestine Investment Fund is an investment vehicle for PA money that has existed since 2002. Its 7-member board and 30-member General Assembly are appointed by President Abbas, and concerns have been raised about its transparency and its independence from political interference. See Adam Entous, “Debate over control of Palestinian investment fund,” *Reuters*, April 28, 2009.

<sup>122</sup> *Economist Intelligence Unit*, op. cit. *EIU* reports that this is the narrowest frequency range ever allocated to an operator at launch (the previous low was 4.6 MHz, in Bulgaria). Wireless companies based in Israel that are also available to Palestinians, such as Orange and Cellcom, operate with dramatically higher frequencies (20.4 and 37 MHz, respectively), allowing them to service a far higher number of customers and to provide a broader array of services—such as email and Internet browsing.

<sup>123</sup> Some Israeli officials cited the PA’s failure to fulfill unspecified obligations.

## Appendix A. Historical Background<sup>124</sup>

### The Palestine Mandate

Following World War I and the collapse of the Ottoman Empire, the United Kingdom was given the mandate for Palestine, which encompassed what is today Jordan, Israel, the West Bank, and the Gaza Strip.<sup>125</sup> Britain's stewardship of Palestine was troubled from the beginning as it became embroiled in the struggle between Jewish settlers seeking to establish their own state and Arab inhabitants who were resisting these efforts. Because of uncertain data, precise population figures for Palestine at this time are not available; the numbers most frequently cited are from a 1922 British census, which put the figures at 660,000 Arabs, 84,000 Jews, and 7,600 others. By 1948, there were an estimated 1.35 million Arabs and 650,000 Jews.<sup>126</sup> During the 1920s and 1930s, Jewish-Arab relations in Palestine worsened and were marked by spasms of violence. Repeated British efforts to find a formula that would satisfy all parties succeeded only in further angering and alienating the two sides. As World War II wound down, violence in Palestine escalated and Jewish underground groups began attacking British installations and assassinating British officials. In February 1947, Britain told the U.N. General Assembly that it wished to relinquish the mandate and asked the new body to settle the issue.

### The 1947 U.N. Partition Plan and the Creation of Israel

The U.N. Special Commission on Palestine eventually recommended dividing Palestine into a Jewish state (about 56% of the territory) and an Arab state (about 42% of the territory) and placing Jerusalem and its vicinity (about 2% of the territory) under international administration.<sup>127</sup> The U.N. General Assembly adopted this plan on November 29, 1947 as U.N. General Assembly Resolution 181.<sup>128</sup> Many observers believed the plan was unworkable, not least because it left many Arabs living in the proposed Jewish state. The Jews saw the U.N. decision as imperfect but accepted it as a step toward creating the Jewish state for which they had worked so long. The Arabs felt that it was unjust to ignore the rights of the majority of the population of Palestine and rejected the partition plan. Both sides began organizing and arming themselves, and groups on both sides carried out attacks on civilians. As violence mounted, many Palestinian Arabs began fleeing to neighboring countries. On May 14, 1948, the British withdrew from Palestine and the Jews proclaimed the independent state of Israel. In the following days and weeks, neighboring Arab states invaded the newly proclaimed state.

When the fighting ended in 1949, Israel held territories beyond the boundaries set by the U.N. plan—a total of 78% of the area west of the Jordan river. Jordan held East Jerusalem and the West Bank and Egypt held the Gaza Strip. About 700,000 Palestinian Arabs fled or were driven out of Israel.<sup>129</sup> Palestinians call their defeat and exile in 1948 *al Nakba* (the “Catastrophe”). Many

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<sup>124</sup> This appendix was mostly written by Paul Morro.

<sup>125</sup> In 1922, Britain set up a separate administration for the land east of the Jordan River and soon began transferring authority to the newly created Emirate of Transjordan, later renamed Jordan.

<sup>126</sup> MidEast Web, “The Population of Palestine Prior to 1948,” <http://www.mideastweb.org/palpop.htm>.

<sup>127</sup> For a map of the 1947 U.N. Partition Plan, see <http://www.mideastweb.org/unpartition.htm>.

<sup>128</sup> For the full text of U.N. General Assembly Resolution 181, see <http://www.state.gov/p/nea/rls/22562.htm>.

<sup>129</sup> There is no reliable data for the precise number of Palestinian refugees who fled in 1948. Most scholars place the (continued...)

Palestinian refugees ended up in camps in the Egyptian-controlled Gaza Strip, the Jordanian-ruled West Bank, Jordan proper, Syria, and Lebanon, where they and their descendants remain today. The Arab countries resisted assimilating the refugees for both political and economic reasons. Many Palestinians did not wish to assimilate, hoping to one day return to their homes. Israel refused to readmit the refugees, seeing them as both a physical and demographic threat to the new state.

## **The 1967 Six-Day War**

During the 1950s and 1960s, as pan-Arab nationalism gained prominence, Arab leaders in Egypt and Syria pressed for military action against Israel. In May 1967, Egypt moved military units into the Sinai Peninsula and concluded a military agreement with Jordan. On June 5, 1967, Israel, assuming war was inevitable, launched preemptive air strikes against its Arab neighbors.<sup>130</sup> Its subsequent victory over Egypt, Jordan, and Syria took only six days. Israel took control of the Sinai and the Gaza Strip from Egypt, the West Bank and East Jerusalem from Jordan, and the Golan Heights from Syria. Almost 1 million Arabs, mostly Palestinians, came under Israeli rule. In November 1967, the U.N. Security Council passed Resolution 242, calling for Israeli withdrawal from territories occupied during the war and the right of every state in the region to live in peace within secure and recognized borders.<sup>131</sup> The defeated Arab states refused to recognize or negotiate with Israel. The Israeli government decided to keep the territories as bargaining chips in future peace talks.

Many observers believe one consequence of the war was the emergence of a stronger sense of Palestinian national identity. Palestinians began to more forcefully advocate for a state of their own. The Palestine Liberation Organization (PLO), which had been established in 1964, became more militant and portrayed itself as a movement struggling for national liberation. In time, the PLO became recognized by the Palestinian people, the Arab states, and much of the international community as the legitimate representative of the Palestinian people. Israel strongly opposed the PLO because of terrorist attacks by its component groups and because its charter at the time aimed to destroy the state of Israel.

## **The October 1973 (“Yom Kippur”) War and Camp David**

In 1973, the Arabs, led by Egypt and Syria, launched a surprise attack on Israel in part to regain the lost territory. The Arab armies made initial advances but eventually Israel drove the Arab forces back to roughly the 1967 armistice lines. By 1977, with the pan-Arab dream shattered, Egyptian President Anwar Sadat offered peace if Israel withdrew from the occupied lands and agreed to a Palestinian state. In 1978, following vigorous diplomatic efforts by President Carter, Egypt and Israel signed framework agreements that led to the 1979 Egyptian-Israeli peace treaty and Israel’s withdrawal from the Sinai, and promised autonomy talks for Palestinians in the West Bank and Gaza. The autonomy talks, however, never materialized and other Arab states did not

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figure between 600,000 and 750,000.

<sup>130</sup> For a contrary view that asserts that Israel was motivated more by fear of being disadvantaged diplomatically than by genuine military threat, see Roland Popp, “Stumbling Decidedly Into the Six-Day War,” *Middle East Journal*, Spring 2006.

<sup>131</sup> For the full text of UNSCR 242 see <http://www.un.org/documents/sc/res/1967/scres67.htm>.

accept the Camp David Accords. (In the mid-1970s, Israeli nationalist-religious groups had accelerated their campaign to establish Jewish settlements in the occupied territories. In 1977, when the right-wing Likud party came to power in Israel for the first time, the government began backing the settlement enterprise more intensively.)

### **The First Intifada (Uprising)**

A growing sense of frustration set in among Palestinians during the 1980s over the lack of progress in finding a durable resolution of their nationalist claims. In December 1987, after four Gaza Palestinians were killed by an Israel Defense Force (IDF) truck in a traffic accident, rioting broke out and quickly spread through the territories. Initially, Palestinian youth hurled stones and Molotov cocktails at IDF soldiers, although in some later clashes hand grenades and guns were used. The IDF struggled at first to contain the crowds and often resorted to firing into them, killing hundreds of Palestinians. The protests also featured acts of civil disobedience, including strikes, demonstrations, tax resistance, and boycotts of Israeli products, all coordinated through locally based popular committees. Over the next six years, over 1,100 Palestinians and 160 Israelis were killed in the violence.<sup>132</sup>

The uprising put the Palestinian question back on the international agenda. In July 1988, in response to the months of demonstrations by Palestinians in the West Bank, Jordan ceded to the PLO all Jordanian claims to the territory (which it had annexed in 1950, although the annexation only achieved international recognition from Pakistan and the United Kingdom). To try and fill the political vacuum, in November 1988 the Palestine National Council (the PLO legislature) declared the establishment of the State of Palestine, in accordance with U.N. General Assembly Resolution 181, the 1947 partition plan. Though symbolic, the PLO's declaration was seen by many as tacit recognition of Israel and acceptance of a two-state solution. From the Palestinian perspective, by engaging the Israelis directly, rather than relying on neighboring Arab states, the Palestinians reinforced their identity as a separate nation worthy of self-determination. The impact on Israelis was equally profound. Many observers have noted that the first intifada caused many Israelis to believe that the occupation of the West Bank and Gaza could not continue indefinitely.

### **The Oslo Years**

By the early 1990s, the intifada and the changed international climate owing to the end of the Cold War led Israel's new Labor government and the PLO to conduct secret negotiations in Oslo, Norway to settle the conflict. The breakthrough came in 1993 and the resulting agreements, called the Oslo Accords, included letters of mutual recognition between Israel and the PLO, the establishment of a Palestinian interim self-governing authority in the West Bank and Gaza, and a five-year window in which to conclude a final status deal. The new Palestinian Authority (PA) had a directly elected president and a legislative council, elected separately. The PA assumed full control of major West Bank cities and limited control in other areas. However, Palestinian rejectionist violence and Israeli settlement building in the territories undermined the process. Nonetheless, in July 2000, President Clinton invited Israeli Prime Minister Ehud Barak and PLO Chairman Yasser Arafat to Camp David to press them to conclude a final status deal. Most Israeli

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<sup>132</sup> Figures according to B'Tselem, the Israeli Information Center for Human Rights in the Occupied Territories, [http://www.btselem.org/English/Statistics/First\\_Intifada\\_Tables.asp](http://www.btselem.org/English/Statistics/First_Intifada_Tables.asp).

and American accounts say that Barak's offer went further than any previous Israeli offer, but it still fell short of Palestinian demands. The summit collapsed and the two sides traded accusations over who was to blame.

## **The Second Intifada and Israel's Withdrawal From Gaza**

In September 2000, with tensions high, then-Israeli opposition leader Ariel Sharon visited the Temple Mount/Haram al Sharif in Jerusalem's Old City, a site holy to both Jews and Muslims. The visit sparked Palestinian riots in Jerusalem, which quickly spread through the territories, igniting the second or "Al-Aqsa" intifada.<sup>133</sup> As Palestinian crowds rioted, in some instances members of the Palestinian security forces opened fire on Israeli forces. Israeli soldiers often responded with deadly force, killing more than 100 Palestinians over the next few weeks. Palestinian militant groups responded with a suicide bombing campaign against Israeli civilian and military targets, killing scores of Israelis and several Americans. Sharon was elected Israeli prime minister in February 2001, bringing an end to whatever hope had remained that Israeli-Palestinian negotiations might continue.

In 2002, to try to stem Palestinian attacks, the IDF reoccupied all major West Bank cities and began building a separation barrier in the West Bank. At the end of 2003, Prime Minister Sharon announced his intention to "disengage" from the Palestinians by unilaterally withdrawing settlers and IDF forces from the Gaza Strip and a small area of the West Bank. In September 2005, Israel completed its unilateral withdrawal from Gaza. Yet, Israel still controls the flow of people and goods in and out of the territories (in tandem with Egypt, which controls the border crossing at Rafah between Gaza and the Sinai Peninsula). It also continues to occupy the West Bank, and has erected hundreds of checkpoints and roadblocks to thwart terrorism. Over 5,000 Palestinians and over 1,000 Israelis have been killed since the second intifada began.<sup>134</sup>

## **The United Nations Context<sup>135</sup>**

As events have unfolded in Israel and the Palestinian territories, two major U.N. organs—the Security Council and the General Assembly—have worked to carry out their Charter functions.<sup>136</sup> Some observers have asserted that U.N. debate and resolutions on these issues are primarily intended to criticize and target Israel. Others have viewed the United Nations as a necessary actor in any solution leading to lasting stability for the region.<sup>137</sup> The Security Council, as the organ with primary responsibility to maintain international peace and security, has worked to bring an

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<sup>133</sup> The name "Al Aqsa" intifada is taken from the Al Aqsa mosque, the third holiest site in Islam, located on the Temple Mount/Haram al Sharif (Noble Sanctuary), the scene of Sharon's visit.

<sup>134</sup> Figures according to B'Tselem, the Israeli Information Center for Human Rights in the Occupied Territories, <http://www.btselem.org/English/Statistics/Casualties.asp>.

<sup>135</sup> This section was written by Marjorie Ann Browne, Specialist in International Relations.

<sup>136</sup> The 1945 U.N. Charter sets forth a number of legal principles to be followed by U.N. member states. They include refraining "from the threat or use of force against the territorial integrity or political independence of any state" and settling "their international disputes by peaceful means." [Article 2, para. 4 and 3] At the same time, Article 51 recognizes "the inherent right of individual or collective self-defense if an armed attack occurs against a [U.N.] Member...."

<sup>137</sup> The Security Council has 15 members, five of which are permanent and have the right to veto adoption of a resolution. Some Council decisions bind all U.N. members to carry them out. The General Assembly is made up of all 192 U.N. members. Its resolutions are recommendatory, except in certain circumstances.



end to any immediate conflict and to set agreed-upon long-range principles and goals. The General Assembly has passed resolutions to reflect the views of a majority, but not necessarily all, of the international community.

Since 1947, the U.N. General Assembly has annually passed at least one resolution relating in some way to Arab-Israeli or Palestinian issues. The numbers of resolutions adopted each session slowly increased after the 1967 Six-Day War, when the Assembly passed resolutions dealing with human rights and with conditions in the occupied territories. Resolutions adopted after the 1973 “Yom Kippur War” began to focus increasingly on Palestinians and on the PLO, with the Assembly granting observer status to the PLO in 1974, declaring that Zionism is a form of racism in 1975, and broadening PLO rights as “observer” in the Assembly in 1998.<sup>138</sup> The General Assembly held special sessions on Palestine in 1947 and in 1948. The remaining Assembly special sessions on these issues have been convened as emergency special sessions.<sup>139</sup> Of the 10 emergency special sessions held since 1956, six have related to Arab-Israeli or Palestine issues.

The U.N. Security Council adopted fewer resolutions on these issues. In part, this was because the United States used its veto to prevent adoption of resolutions it viewed as one-sided or unbalanced. The veto has been used in the Council in approximately 25 percent, or 53 of 210, cases, to prevent adoption of a resolution on issues involving the Arab-Israeli disputes or Palestine.<sup>140</sup>

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<sup>138</sup> In 1988, the Assembly redesignated the PLO as Palestine and in 1991 repealed the “Zionism equals racism” resolution. The Institute for Palestine Studies publishes a comprehensive compilation of all related U.N. and U.N. system agency resolutions: *United Nations Resolutions on Palestine and the Arab-Israeli Conflict*. Volumes I - V cover 1947 through 1998. The table of contents in these volumes is very detailed. The United Nations provides links to the texts of related U.N. resolutions at its website, at <http://www.un.org/Depts/dpa/qpal>. Resolutions of U.N. system agencies are not included.

<sup>139</sup> The Assembly adopted the *Uniting for Peace Resolution* (A/RES/377 (V)) in 1950 to enable Assembly consideration of an issue, then before the Security Council, in instances when the Council, thwarted by use of the veto, was unable to act on that issue. For a list of emergency special sessions, see <http://lib-unique.un.org/lib/unique.nsf/Link/R03055>.

<sup>140</sup> See *Subject of UN Security Council Vetoes*, available at <http://www.globalpolicy.org/security/membership/veto/vetosubj.htm>.

## Appendix B. List of Current or Former U.N. Bodies and Offices That Focus on Palestinian or Arab-Israeli Issues<sup>141</sup>

Entity	When Created	Comments
U.N. Conciliation Commission for Palestine (UNCCP)	U.N. General Assembly 1948	Reports annually to the Assembly. Most recent report, A/61/172, was two pages, to the effect that the UNCCP had nothing to report.
U.N. Relief and Works Agency for Palestine Refugees in the Near East (UNRWA)	U.N. General Assembly 1949	<a href="http://www.un.org/unrwa/english.html">http://www.un.org/unrwa/english.html</a>
Special Committee to Investigate Israeli Practices Affecting the Human Rights of the Palestinian People and Other Arabs of the Occupied Territories	U.N. General Assembly 1968	<a href="http://www.unhchr.ch/html/menu2/7/a/moatsc.htm">http://www.unhchr.ch/html/menu2/7/a/moatsc.htm</a>
Committee on the Exercise of the Inalienable Rights of the Palestinian People (CEIRPP)	U.N. General Assembly 1975	<a href="http://www.un.org/Depts/dpa/qpalnew/committee.htm">http://www.un.org/Depts/dpa/qpalnew/committee.htm</a>
Division for Palestinian Rights [Originally established as the Special Unit on Palestinian Rights] Serves as the Secretariat for the CEIRPP	U.N. General Assembly 1977 (as Special Unit)	<a href="http://www.un.org/Depts/dpa/qpalnew/dpr.htm">http://www.un.org/Depts/dpa/qpalnew/dpr.htm</a>
U.N. Register of Damage Caused by the Construction of the Wall in the Occupied Palestinian Territory	U.N. General Assembly 2006	Three-member Board of the Register has been appointed, including a U.S. expert.
U.N. Special Coordinator for the Middle East Peace Process (UNSCO) and Personal Representative of the Secretary-General to the PLO and the Palestinian Authority	U.N. Security Council 1999	<a href="http://www.un.org/unsco">http://www.un.org/unsco</a>
<b>U.N. Peacekeeping Operations</b>		
U.N. Truce Supervision Organization (UNTSO)	U.N. Security Council 1948	Current U.N. peacekeeping operation <a href="http://www.un.org/Depts/dpko/missions/undof/index.html">http://www.un.org/Depts/dpko/missions/undof/index.html</a>
U.N. Disengagement Observer Force (UNDOF) <sup>c</sup>	U.N. Security Council 1974	Current U.N. peacekeeping operation <a href="http://www.un.org/Depts/dpko/missions/undof/index.html">http://www.un.org/Depts/dpko/missions/undof/index.html</a>
U.N. Interim Force in Lebanon (UNIFIL)	U.N. Security Council 1978	Current U.N. peacekeeping operation <a href="http://www.un.org/Depts/dpko/missions/unifil/index.html">http://www.un.org/Depts/dpko/missions/unifil/index.html</a>
U.N. Emergency Force (UNEF I) <sup>c</sup>	1956-1967	U.N. peacekeeping operation – ended <a href="http://www.un.org/Depts/dpko/dpko/co_mission/unefi.htm">http://www.un.org/Depts/dpko/dpko/co_mission/unefi.htm</a>
U.N. Emergency Force (UNEF II) <sup>c</sup>	1973-1979	U.N. peacekeeping operation – ended <a href="http://www.un.org/Depts/dpko/dpko/">http://www.un.org/Depts/dpko/dpko/</a>

<sup>141</sup> This appendix was prepared by Marjorie Ann Browne, Specialist in International Relations.

Entity	When Created	Comments
Special Rapporteur on the Situation of Human Rights in the Palestinian Territories occupied since 1967	U.N. Commission on Human Rights 1993; continued under the U.N. Human Rights Council, 2006.	co_mission/uneii.htm  <a href="http://www.ohchr.org/english/countries/ps/mandate/index.htm">http://www.ohchr.org/english/countries/ps/mandate/index.htm</a>
<b>Programs of Assistance</b>		
U.N. Conference on Trade and Development (UNCTAD) Program of Assistance to the Palestinian People	UNCTAD 1995-1997, based on studies initiated in 1979	<a href="http://r0.unctad.org/palestine">http://r0.unctad.org/palestine</a>
U.N. Development Program of Assistance to the Palestinian People (UNDP/PAPP)	U.N. General Assembly 1978	<a href="http://www.undp.ps/en/aboutundp/aboutpapp.html">http://www.undp.ps/en/aboutundp/aboutpapp.html</a>
U.N. Educational, Scientific and Cultural Organization (UNESCO) Program of Assistance to the Palestinian People	UNESCO, General Conference 1995	
U.N. Economic and Social Commission for Western Asia (ESCWA)	U.N. Economic and Social Council 1973	Palestine is a full member <a href="http://www.escwa.org.lb/about/main.asp">http://www.escwa.org.lb/about/main.asp</a>
c. These forces were established following military clashes between Israel and other Arab neighbors, not between Israel and the Palestinians.		

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